The Prosperity Strategy: The Greater Sacramento Region Comprehensive Economic Development Strategy (CEDS)

Advancements in Core Strategies

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SACRAMENTO METROPOLITAN CHAMBER OF COMMERCE

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INTRODUCTION

This document is a report on the key activities conducted and accomplishments achieved by Valley Vision and the Sacramento Metropolitan Chamber of Commerce (Metro Chamber) for the implementation of the **Prosperity Strategy**, the Greater Sacramento Region's ***Comprehensive Economic Development Strategy (CEDS)***. This project was supported by a grant from the U.S. Economic Development Administration through its Economic Adjustment Assistance, Short Term Planning, and Technical Assistance Programs.

The **Prosperity Strategy**, also prepared through the support of an EDA grant, was released in March 2020, coinciding with the start of the COVID-19 pandemic. The EDA implementation grant was awarded in April 2021 and primary activities were concluded in September 2023, with an extension to March 2024 for administrative and project transitions. In addition to the implementation of CEDS core strategies, the purpose of the grant was to build a regional economic recovery and resiliency strategy.

We are grateful to EDA for its ongoing support of the region's economic recovery and long-term prosperity. We thank the many partners who participated in the implementation activities of the **Prosperity Strategy** – including the key Prosperity Strategy partners in addition to Valley Vision and the Metro Chamber: the Greater Sacramento Economic Council (GSEC), the Sacramento Area Council of Governments (SACOG), and the Sacramento Asian Pacific Chamber of Commerce; local jurisdictions; economic development organizations; academic institutions; businesses; nonprofits; community-based organizations; utilities; state and federal agencies; local elected officials; our congressional delegation; and many others.

Together we continue the **Prosperity Strategy's** mission of advancing the region's prosperity, sustainability and opportunity for all. A critical component of pivoting toward the future economy is leveraging California's groundbreaking investment in the state's regional economies through its **California Jobs First initiative** and our local initiative – ***We Prosper Together***, along with historic federal investments.

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EXECUTIVE SUMMARY

The Greater Sacramento Region's **Prosperity Strategy**, launched in 2020, serves as the region's five-year **Comprehensive Economic Development Strategy** (CEDS), as designated by the Economic Development Administration (EDA), U.S. Department of Commerce. The Strategy is guided by five core partners in collaboration with many public, nonprofit, academic, business, and civic/community partners and elected officials across the six-county Sacramento region – Valley Vision, Sacramento Metropolitan Chamber of Commerce, Greater Sacramento Economic Council (GSEC), the Sacramento Area Council of Governments (SACOG), and the Sacramento Asian Pacific Chamber of Commerce. In 2021, Valley Vision and the Sacramento Metropolitan Chamber of Commerce received a CEDS implementation grant from EDA, which concluded in 2024.

In addition to the implementation of the CEDS priority initiatives, the purpose of the grant was to build a regional economic recovery and resiliency strategy. This report provides an update on the progress and outcomes to date of these key CEDS initiatives, and major accomplishments in standing up **We Prosper Together**, the region's initiative which is leveraging California's historic investment in the creation of climate-forward, inclusive economy recovery strategies of thirteen regions through **California Jobs First**.

Six core strategies, and related initiatives, are the foundation of the overall **Prosperity Strategy** to drive our region's future growth and advancement. Three of the six strategies are focused on competitive advantage tradeable clusters. Tradeable clusters are groups of related industries that create wealth beyond local serving industries. The cluster strategies seek to establish global leadership in areas where the region has existing strength and prominence as well as emerging opportunity. The clusters identified as having the most opportunity and potential to scale an inclusive economy for the region were: **food and agriculture, life sciences and related agricultural sciences, and future mobility**, with aspects of clean energy. The core strategies are:

1. Be the global leader for entrepreneurs, firms and workforce in food, agriculture and health innovation.
2. Be the global leader for entrepreneurs, firms and workforce in life sciences.
3. Be the global leader for entrepreneurs, firms and workforce in future mobility.
4. Target infrastructure investment to support economic clusters and market drivers.
5. Expand demand-driven, sector-based workforce development, aligned to key opportunity clusters and a more inclusive workforce, prepared for future work.
6. Create an environment to be the most business-friendly region in which to operate in the State of California.

Within each of the three cluster initiatives, significant advancements were made, with an emphasis on growing the region's innovation ecosystem, generating quality jobs with opportunities for skills acquisition and income mobility, increasing access including through critical infrastructure investments such as transportation mobility and broadband connectivity, and positioning the region to leverage and access transformative federal and state investments economic recovery initiatives. Highlights include:

- ***Food, Agriculture and Health Innovation*** – catalyzing major investments in food system infrastructure including accelerators/incubators/wet labs, innovation networks, technology centers, food hubs, and public markets, along with serving as the locus for a major new USDA investment as part of the national Food Business Center Program, leveraging the assets of U.C. Davis and U.C. Agriculture and Natural Resources, national and global leaders.

- ***Life Sciences Innovation*** – launching of the region's anchor project Aggie Square, a large-scale innovation district being developed by U.C. Davis and Wexford Science and Technology, in partnership with the city of Sacramento, catalyzing the growing regional innovation ecosystem and network of companies in this cluster. Several new developments across the region are in the pipeline, and regional partners are collaborating to compete in national initiatives such as NSF Engines of Innovation.
- ***Future Mobility*** – establishment of the California Mobility Center (CMC), one of the anchor projects of this cluster, to create a place-based innovation hub along with an ecosystem of companies, suppliers, providers and other partners, driving clean energy and transportation solutions and workforce training. SACOG and local jurisdictions are pioneering clean mobility solutions while seeking to achieve climate resilience goals.
- ***Targeted Infrastructure Investments*** – generation of major investments in two priority infrastructure investment areas to support economic clusters, market drivers and equity – in transportation and broadband. This includes funding for mobility zones, clean transit, and infill development for "Green Zones," and major state and federal investments through California's Broadband for All initiative and federal economic recovery funding, along with an innovative companion EDA-funded report on resources and strategies to address major business-related broadband gaps in urban, rural and suburban areas across all types of industries.
- ***Demand-Driven, Sector-Based Workforce Development*** – identification of rapidly changing workforce skills gaps and strategies and programs to develop a pipeline of skilled workers in key occupations, including areas such as electrification of buildings and transportation, and strategies to address digital literacy and skills gaps, including a major federal investment in Sacramento State's Connecting Minority Communities digital navigator program.
- ***Business Friendly Region*** – development and expansion of several major initiatives including the Chamber's MetroBusiness Center for business assistance; launching of the Sacramento Valley SBDC by California Capital; the Sacramento Inclusive Economic Development Collaborative (IEDC) managed by the Sacramento Asian Pacific Chamber of Commerce; and the state's Inclusive Innovation Hub designation for the region led by the Carlsen Center for Innovation and Entrepreneurship at California State University, Sacramento and the Sacramento Entrepreneurial Growth Alliance (SEGA).

In addition, Valley Vision was designated by California as the lead convenor and fiscal agent for the California's Jobs First initiative, securing a major grant for an inclusive economic recovery/climate resilience strategy – **We Prosper Together**. This process generated a major update of the CEDS cluster, economic, workforce and community data that provides a strong foundation for the region's next CEDS to commence in 2025, and will include investment of catalyst funding for regional projects, among other resources. All told, the implementation of the Prosperity Strategy to date has leveraged millions of dollars in new investments, created significant numbers of jobs, and set a strong course for recovery and a sustainable, innovative, equitable and prosperous region.

I. OVERVIEW

Background on the Prosperity Strategy

The Prosperity Strategy is the Greater Sacramento Region's **Comprehensive Economic Development Strategy ("CEDS") for** 2020 through 2025 – the region's economic roadmap that ensures an innovative, inclusive, and equitable economy by bringing together public, private, and civic stakeholders to establish regional goals, objectives, and a plan of action.

The release of the **Prosperity Strategy** in March 2020 occurred at the onset of the COVID-19 pandemic. In the midst of a public health and economic crisis that wreaked havoc on communities in our region and across the world, the **Prosperity Strategy** served as a strong foundation for regional economic recovery, because it was based on in-depth data and research that identified the core economic assets and competitive advantages specific to the Greater Sacramento Region, as well as existing economic and community needs, priorities and opportunities. Thus, the implementation process built upon the core assets while adapting to the new realities the region was facing.

In response to the pandemic, there has been a once-in-a-generation investment of local, state and federal stimulus packages in times of economic crisis. The region has received historic federal investments that are helping to advance opportunities in the Strategy's priority economic clusters, along with the region's innovation ecosystem, infrastructure and workforce. We are pursuing opportunities to drive inclusive and sustainable economic development through major new state investment from the California Jobs First Initiative. Additionally, as the capital of the fifth largest economy in the world, Sacramento holds a unique place in the state of California and the greater global economy with distinct assets such as state partnerships and proximity to policy leaders in areas such as climate readiness and clean economy.

The **Prosperity Strategy** incorporates an inclusive economy framework. Inclusive economies have lower levels of inequality, and grow more sustainably over time, by optimizing their assets, operating more efficiently and productively, and reducing the burden of poverty. Inclusive economies focus on wealth-creation, rather than profit-generation. In essence, communities build longstanding wealth that benefit both people and place. Inclusive growth is also a business imperative. It requires a more flexible, innovative and different workforce. It relies on cross-sector partnerships, networks and institutions to implement the work of making regions a place of choice for both business and talent.

The **Prosperity Strategy** was the outcome of a two-year process that was grounded in extensive research, dozens of public convenings and focus groups across the region, and hundreds of interviews, as well as analysis of regional assets, challenges and conditions; comparative analysis of other regions; global economic trends; and emerging opportunities. It built upon an economic assessment of the region conducted by the Brookings Institution that identified competitive advantage clusters and metrics informing its inclusive economic development framework.[1] This work was aligned with other key efforts that are shaping our region's future, including the Metropolitan Transportation Plan/ Sustainable Communities Strategy (MTP/ SCS) prepared by the Sacramento Area Council of Governments (SACOG) and the city of Sacramento's Scale Up Sacramento strategy.

The implementation of the **Prosperity Strategy** is the collective work of the following organizations – each with its own unique focus – working in partnership to drive an inclusive economy for the six-county region, along with the many organizations, jurisdictions and businesses at all levels.

1. https://www.brookings.edu/articles/charting-a-course-to-the-sacramento-regions-future-economic-prosperity/, by Joseph Parilla, Sifan Liu and Marek Gootman, April 2018.

Greater Sacramento Economic Council: The Greater Sacramento Economic Council (GSEC) is the catalyst for innovative growth strategies in the Capital Region. The organization spearheads community-led efforts to attract business, capital and talent; grow and scale new businesses; develop advanced industries; and create jobs and investment throughout the six-county region. GSEC represents a collaboration between local governments and industry and market leaders and stakeholders, dedicated to driving future-oriented economic growth and quality jobs.

Sacramento Area Council of Governments: The Sacramento Area Council of Governments (SACOG) is an association of local governments in the six-county Sacramento region. SACOG provides transportation planning and funding for the region and serves as a forum for the study and resolution of regional issues. SACOG also approves the distribution of affordable housing in the region and assists in planning for transit, clean air, and other areas, with policies and investments to increase access and mobility across the region, help attain air quality goals, and ensure sustainable urban, rural and suburban communities.

Sacramento Asian Pacific Chamber of Commerce: The Sacramento Asian Pacific Chamber of Commerce (SACC) works to ensure economic opportunities are available to all of Sacramento's diverse small business community. Founded in 1993, the Chamber is the largest minority chamber in the region and advocates on behalf of all minority businesses, including the over 6,000 Asian American and Pacific Islander owned businesses. SACC offers technical support, resources, and advocacy so small businesses can thrive as part of an inclusive economy. During the pandemic, SACC administered an Inclusive Economic Development Collaborative of PBIDs (Property and Business Improvement Districts) and other nonprofits on behalf of the city of Sacramento and Sacramento County.

Sacramento Metropolitan Chamber of Commerce: The Sacramento Metropolitan Chamber of Commerce (Metro Chamber) advocates for and supports the inclusive economic prosperity of our Capital Region by leading efforts for business. Established in 1895, Metro Chamber is the largest, most prominent and established voice for business representing 1,400 members and their workforce in El Dorado, Placer, Sacramento, Sutter, Yolo and Yuba counties. The Metro Chamber provides businesses and individuals the programs, services and advocacy needed to build vibrant communities, a ready workforce, connected region and strong business. For part of the grant period, it also managed the Sacramento Region Small Business Development Center (SBDC).

Valley Vision: Valley Vision is an independent civic leadership organization headquartered in Sacramento. Valley Vision strengthens the region's communities through unbiased research, boundary-crossing collaboration and transformative leadership. Valley Vision has led, managed or supported hundreds of initiatives dedicated to creating the conditions for improved quality of life, economic growth and community vitality. These include the regional prosperity strategy, 21st century workforce, digital access and inclusion, and transformative climate readiness, along with serving as the convenor and manager for the new We Prosper Together/ California Jobs First initiative.

The Sacramento Municipal Utility District (SMUD) is also an investor in the **Prosperity Strategy** and is a strong implementation partner, including for clean economy and other sustainability and equity initiatives.

Prosperity Strategy: Six Core Strategies

Six core strategies, and related initiatives, are the foundation of the overall Prosperity Strategy to drive our region's future growth and advancement. Three of the six strategies are focused on competitive advantage tradeable clusters that were identified by the Brookings Institution and RW Ventures. Tradeable clusters are groups of related industries that create wealth beyond local serving industries. The cluster strategies seek to establish global leadership in areas where the region has existing strength and prominence as well as emerging opportunity. The core strategies are as follows:

1. Be the global leader for entrepreneurs, firms and workforce in food, agriculture and health innovation.
2. Be the global leader for entrepreneurs, firms and workforce in life sciences.
3. Be the global leader for entrepreneurs, firms and workforce in future mobility.
4. Target infrastructure investment to support economic clusters and market drivers.
5. Expand demand-driven, sector-based workforce development, aligned to key opportunity clusters and a more inclusive workforce, prepared for future work.
6. Create an environment to be the most business-friendly region in which to operate in the State of California.

The clusters identified as having the most opportunity and potential to scale an inclusive economy for the Sacramento Region: **food and agriculture, life sciences and related agricultural sciences, and future mobility**, with aspects of clean energy. Each has growth potential that builds on its core strengths; they are industries with distinctive attributes but overlapping strengths in firms, research institutions, labor force, technologies, policy environments and markets.

Note: *One of the outcome activities of this project grant was an updating/refinement of the cluster priorities. This reflects the need to update cluster information for the CEDS process, and was particularly important given the widespread disruption of the pandemic and impact globally on the economy, along with changes within the California economy due to several transformative policy initiatives and investments, including the state's leadership in climate resilience and dealing with the impacts of numerous weather-related disasters.*

The second three of these strategies prioritize critical supporting components of infrastructure, workforce and the business environment. The following summarizes the implementation priorities which were the focus of this project grant.

1. Be the global leader for entrepreneurs, firms and workforce in food, agriculture and health innovation.

This includes:

- Expanding wet lab space across the region, including rural and suburban locations.
- Supporting scale-up for food manufacturing companies, including co-packing and co-production facilities, shared logistics, support services and equipment testing.
- Supporting food system infrastructure projects such as technology parks, food hubs, incubators and accelerators including to leverage the buying power of institutional procurement and support "next gen" food entrepreneurs.
- Developing a capital formation strategy for funding mechanisms to develop a food/ag/health innovation center that can be modeled and scaled for similar innovation centers across the region.

2. Be the global leader for entrepreneurs, firms and workforce in life sciences.

This includes:

- Establishing an industry-led Life Sciences cluster partnership across the Sacramento Region to enable strategic collaboration amongst industry stakeholders, including workforce, supply chain and market development.
- Supporting the development of Aggie Square as a regional innovation hub focused on research and development, especially in the development of technology specializing in Cell and Gene Therapy, Genomics and Imaging Diagnostics.
- Launching a workforce initiative focused on Life Sciences and support occupations that leverages the 24 higher education institutions across the six-counties.
- Detailing analysis of regional supply chains to map existing manufacturing capabilities and opportunities for Life Sciences.

3. Be the global leader for entrepreneurs, firms and workforce in future mobility.

This includes:

- Establishing the California Mobility Center (CMC) as an international industry led future mobility partnership across the region to enable strategic collaboration amongst industry stakeholders including in market development, supply chain, workforce and policy innovation.
- Developing a workforce initiative focused on future mobility that includes both primary and secondary institutions and workforce training centers.
- Passing legislation and secure state funding for Green Means Go - a multi-year pilot program to lower greenhouse gas emissions in the Sacramento Region by accelerating infill development, reducing vehicle trips and electrifying remaining trips.
- Increasing funding and expand the reach for SACOG's "Civic Lab" program to pilot test innovative mobility solutions throughout the Sacramento Region.
- Initiating a regional economic gardening program to scale early-stage Future Mobility manufacturing companies.

4. Target infrastructure investment to support economic clusters and market drivers.

This includes:

- Prioritizing expansion projects that align with the Prosperity Strategy principles, including linking broadband and transportation investments in key corridors and access to job centers.
- Advancing innovative transportation system management and operations, including travel demand management and new mobility models that support emerging economic clusters.
- Creating a six-county region plan to accelerate broadband infrastructure deployment, including a neutral shared infrastructure platform, 5G and next generation high speed Internet.

5. Expand demand-driven, sector-based workforce development, aligned to key opportunity clusters and a more inclusive workforce, prepared for future work.

This includes:

- Strengthening the regional workforce development system through an employer-led and demand-driven ecosystem, including employer, community college, workforce system partnership models and regional industry advisories.
- Formalizing success models for demand-driven training programs, including the strengthening of CTE, to fill high demand middle skills job gaps across all school districts, expand bridge programs that prepare those with lower skills for the world of work, increase apprenticeship opportunities with labor partners and strengthen regional industry sector initiatives.
- Launching the Sacramento Region's Digital Skills Initiative to increase digital literacy, access and adoption.
- Initiating a Sacramento Region campaign via Project Attain! in order to close the near-term completion gap for individuals seeking to obtain their college degree.

6. Create an environment to be the most business-friendly region in which to operate in the State of California.

This includes:

- Implementing regional policies that strengthen our innovation ecosystem including financing, facilities and business development resources to support startups, scale ups and spinouts in our highest performing sectors.
- Developing a cohesive messaging strategy for communicating the Sacramento Region as a destination for innovation, testing, piloting and scaling for business in California.
- Attracting and support contract manufacturers to support all three clusters.
- Encouraging and support local governments to create "sandboxes" to allow real world urban testing of mobility solutions.
- Assessing, identify and address the biggest barriers to Sacramento Region's most promising start-ups with the region's civic and business leadership.

The following section of this Report highlights progress on key initiatives and metrics of success identified in the **Prosperity Strategy**, including new investments, leveraged resources and strengthened partnerships.

II. PROJECT ACTIVITIES AND ACCOMPLISHMENTS

Grant Objectives

The following is a summary of the scope of work funded by this grant:

Task 1: Support Regional CEDS implementation

- Emphasize equity and inclusivity, by establishing a Community Action Council, consisting of up to 20 members from communities across the 6-county region, with an emphasis on diversity and particularly members of color and from underserved areas of the region, including the rural areas.
- Support partners' own implementation activities that are consistent with the CEDS, including:
  - Conduct outreach to partners across the region to expand awareness of CEDS strategies and priorities and help catalyze a broad range of activities across the region.
  - Help partners identify and advance projects for funding, including working with them to align their projects and goals with appropriate funding sources.
  - Provide technical assistance to the development of proposals, especially for applicants without experience in the grant application process.
  - Track total proposals and awards from the region and communicate the program's impact across the region.

Task 2: Build a regional recovery and resilience strategy

- Conduct ongoing Prosperity Strategy governance.
  - Valley Vision will serve as the "backbone organization" of the Prosperity Partnership and lead the ongoing work to regularly convene all the partners, in order to increase alignment, enable good communications and optimize coordination within the Partnership.
- Advance key priorities in support of regional recovery.
  - This project will enable the Partnership to support key priorities that have been identified as critical for regional recovery, such as supporting digital skills and broadband access, to enable access to remote work and school, as well as the up-skilling and re-skilling of displaced workers – all key factors in both economic recovery and reducing economic and social disparities.
- Report progress on the metrics identified in the CEDS.
  - The already-identified metrics in the CEDS will communicate progress on the Prosperity Strategy's key initiatives.

Task 3: Assess the value of a new economic development district in Sacramento and Yolo counties.

- The project will assess the potential impact of creating a federal economic development district (EDD) to encompass both Sacramento and Yolo counties.

Advancements in the Core Strategies

The implementation of the CEDS Prosperity Strategy priorities (Task 1) and the development and implementation of a regional recovery and resiliency strategy (Task 2) are interwoven, with the CEDS priorities providing the foundation around which the outreach, engagement, research, metrics tracking, capacity building and technical assistance support activities of the project were organized and delivered.

California's groundbreaking new investment initiative into the recovery of the state's thirteen regions, including the Capital Region, through the California Economic Resilience Fund (CERF), began during the implementation of the CEDS. The state and regional efforts are fully aligned, with Valley Vision serving as the convenor and manager of CERF - now known as California Jobs First - for the region. The sections below describe how the CEDS enabled Valley Vision to secure and activate CERF to meet regional inclusive economic development goals and bring implementation resources to the region.

It is important to understand the circumstances under which CEDS implementation occurred: the pandemic continued longer than expected, which created additional economic, health, and workforce impacts; there was social unrest which had devastating community and economic impacts, especially affecting downtown Sacramento, the economic core of the region; there were multiple extreme weather and climate-related events including floods, fires, extreme heat, and freezes that underscored the volatility of the future we must plan for; many of the community income and business support programs enacted during the peak of the pandemic that provided a critical safety net, sunset in 2023.

At the same time, the historic federal and state resources that were mobilized to address the wide-ranging impacts of the pandemic and global economic turndown, along with higher levels of inflation and environmental challenges, provided unprecedented opportunities for transformative pathways forward. These included the federal American Rescue Plan Act, the Infrastructure Investment and Jobs Act (IIJA), the CHIPS and Science Act of 2022, and the Inflation Reduction Act, and California's Community Economic Resilience Fund and Broadband for All initiatives, among others.

The next section of this report summarizes key highlights of actions and accomplishments in each of the core strategies, as they relate to the grant-funded activities of Valley Vision and the Metro Chamber. There was progress across many dimensions of the Prosperity Strategy by many partners including those who are the leading agencies for implementation of the six core strategies. They will be referenced in the following sections of the report.

Core Strategies/Sector Activities

General support activities that Valley Vision and the Metro Chamber provided across all the core strategies included the following:

- Technical assistance to help identify potential funding programs and eligibility and other requirements, including for major new EDA and other federal and state initiatives, and to identify and develop viable projects, scopes of work and funding strategies for a wide range of community partners;
- Liaison with state and federal agency representatives to vet projects, review program and funding guidelines, and assist with ongoing consultation, especially during grant submittals and review processes;

- Participation in cross-agency planning activities, drafting/reviewing proposal documents including scopes of work and budgets, engaging relevant partners, and preparing relevant materials if Valley Vision and/or the Metro Chamber were also included in the grant applications;
- Identification of and assistance in leveraging funding sources, including to meet match requirements;
- Provision of letters of support and other documentation, including supporting research, data and needs assessment/ feasibility/market studies;
- Partnership development including through weekly/bi-weekly Metro Chamber business assistance and resource connection meetings, and one-on-one business assistance; and,
- Webinars, e-newsletters, social media and other engagement strategies through partner networks to broadly communicate about projects, resources and partnerships, especially when not able to convene in person due to the COVID-19 restrictions.

1. Food, Agriculture, and Health Innovation

There are several positive project outcomes that occurred in this sector, addressing needs for food system infrastructure projects including incubators/accelerators, wet labs, food hubs, public markets, and strategies to drive new markets for growers and food producers, and develop food system financing mechanisms. The overall goal is to develop a resilient, equitable, prosperous and health-promoting food system that addresses the challenges of supply chain security that were brought to the fore during the pandemic; ensures healthy food access and food and nutrition security; and leverages the world class innovation assets the region has, due to the presence of the University of California Davis - the country's number one agricultural university; a growing innovation ecosystem which includes entrepreneurs and companies from all over the world; and the cross-sector community assets engaged through partnerships as America's Farm to Fork capital.

This grant enabled Valley Vision and the Metro Chamber to provide high levels of support to bring the following high priority projects to fruition, including securing a major USDA investment as part of the new national Food Business Center Program. The following are examples of the growing assets for the region, building on EDA's investments in the region's food and agriculture ecosystem.

Alchemist Public Market

Yolo Food Hub

The Lab@AgStart

The Lab@AgStart is the principal focus of the AgTech Innovation Alliance, a unique public-private partnership across government, education, industry and nonprofit partners, organized as a 501(c)(3) nonprofit to support innovators and entrepreneurs pioneering technology innovations to advance the Sacramento region's Agriculture/Food/Health systems. The AgStart program was initiated in 2012 through an EDA-funded i6Challenge grant to UC Davis and the Sacramento Regional Technology Alliance (SARTA), becoming an independent organization after SARTA closed. Located in Woodland, Yolo County, AgStart served as an incubator to support ag and food tech start-ups with a range of services. In 2017, it joined with the University of California Agriculture and Natural Resources (UC ANR) in a new $500,000 EDA grant to cultivate The VINE – the Verde Innovation Network for entrepreneurship– to connect existing clusters of innovation across California and link entrepreneurs with mentors, advisors, collaborators, events, competitions and other services.

To meet the growing need for its services, AgStart was awarded a $500,000 grant from EDA in 2020 to build a wet-lab facility with offices and co-working spaces. The Lab@AgStart opened in 2021 and due to high demand, expanded its space in 2022-23. It is the largest wet-lab facility in California's Central Valley region, offering a science-based wet-chemistry laboratory facility with 52 lab benches, a certified food lab with six fermentation lab benches, 12 dedicated offices, and co-working facilities for start-up companies globally. As a nonprofit with sponsorships, AgStart is able to lease space at prices that are very supportive for start-ups.

The facility also serves as a community resource, hosting a speaker series for entrepreneurs and established companies, and hosting a wide range of community partners for many events including planning activities to support the region's food and ag ecosystem and educate visitors about the region on the innovation assets of the region and AgStart. As a board member, Valley Vision assists with funding development and community partnerships, including with the congressional delegation and state agency partners.

The facility also serves as a community resource, hosting a speaker series for entrepreneurs and established companies, and hosting a wide range of community partners for many events including planning activities to support the region's food and ag ecosystem and educate visitors about the region on the innovation assets of the region and AgStart. As a board member, Valley Vision assists with funding development and community partnerships, including with the congressional delegation and state agency partners.

Some outcomes: In addition to the hundreds of entrepreneurs the program has supported since 2012, EDA's most recent investment in AgStart has generated the following outcomes since 2021:

- *Provided support for 20 start-ups companies, including from countries such as Israel and Singapore as well as the United States*
- *Assisted six companies to spin off and operate successfully in the region*
- *Enabled its start-up companies to attract $60 million in private capital since occupying the incubator*
- *Start-up companies created 60 full-time professional jobs and 32 student intern experiences*

- *Raised more than $2 million in public, private and philanthropic funding, including $200,000 each from the city of Woodland and Yolo County, $250,000 from Yocha Dehe Wintun Nation, $250,000 from Bayer, $100,000 from Raley's, and many other sponsors including First Northern Bank, Syngenta, HM.Clause, and a host of other organizations, along with the California iBank, UC Davis, and UC ANR.*
- *Becoming a hub and landing spot for companies coming to the region from around the world, including Japan, Chile, Singapore, Spain, Israel, Australia and New Zealand.*

In addition, in 2023 AgStart received a $150,000 grant from SBA to manage the AgriFood Innovation Network, a unique coast-to coast collaboration among peer-level entrepreneur-support organizations with a focus on AgriFood innovation, supplemented with specific resources, community-building among entrepreneurs, SBIR/STTR education and programs for underserved entrepreneurial populations. AgStart will be a partner in ecosystem support for agrifood tech companies as part of the region's new iHub being led by the Carlsen Center at Sacramento State University (description provided later in the report).

See EDA's "Success Story" about **AgStart**.

Alchemist Community Development Corporation's (CDC) Public Market

Alchemist CDC is a 501(c)(3) Sacramento-based organization that connects underserved communities to land, food, and economic opportunities, helping create neighborhoods that are vibrant, equitable, healthy and diverse. Successful Alchemist programs include capacity building for under-resourced food entrepreneurs through food incubator and food academy programs; making farmers' markets accessible to low-income households; and empowering neighborhoods to build community assets through the transformation of un-utilized spaces.

In 2023, EDA **announced on September 26** an award of $3.9 million for the Alchemist CDC's Public Market project. This award complements $8.1 million in funding from the State of California's **CERF Economic Development Pilot Program** to construct the **Alchemist Public Market** project, which will enable under-served entrepreneurs to start new food businesses; provide workforce development for workers with high barriers to employment; create an attractive community gathering place in a food desert; and offer low-income neighbors access to quality food from local producers. The EDA funding will target the project's all-electric shared-use incubator kitchen, a social enterprise café operated by partner NorCal Resist, and a retail store with grocery staples featuring products from small Sacramento makers. The completed project will also include a co-working office, 8 small incubator restaurants with a shared outdoor food court, ample shade structures, a weekly farmers' market, an inclusive playground, and more.

Some Outcomes: This project was several years in the development, planning and design phases, and it was one of the first projects selected by the State's CERF pilot program in 2023 to exemplify place-based inclusive economic development, through a focus on the food and agriculture cluster. The project will:

- *Bring an investment of more than $12 million (including state and federal funds and matches from philanthropy and other sources) to benefit underserved populations in Sacramento's River District, a High Poverty Area within both the Sacramento Promise Zone and a Federal Opportunity Zone;*
- *Drive entrepreneurship and small business formation, create new jobs, promote workforce development, and catalyze new investment and development in this economically-distressed area; and,*
- *Provide a regional model of prioritizing environmentally-sustainable development through the implementation of Green Processes in local food manufacturing and the development of Green Places by making efficient use of renewable energy; promoting public transit ridership and active transit; and providing affordable access to nutritious food by hosting a weekly farmers' market.*

Yolo Food Hub Network

The Yolo Food Hub Network (YFHN) was formed in 2021 by a network of community partners to establish a new food hub facility in Yolo County, in response to supply chain disruptions and health impacts caused by the pandemic, and several climate-related emergencies - including fires, flooding, extreme heat, and freezes. The Yolo County Board of Supervisors allocated $2 million in ARPA funding to New Season Community Development Corp. (CDC) to develop the food hub. The need for a regional food hub had been identified in 2015 as vital food system infrastructure in a feasibility study conducted for the Sacramento Area Council of Governments (SACOG). Food hubs aggregate, store, process, and distribute locally grown foods, and help connect farmers and food entrepreneurs with regional markets and institutional buyers, such as schools, hospitals, and food banks to access source-identified, locally grown products.

The goal of the ARPA grant was to strengthen the resiliency of the local and regional food system; create new market channels for farmers, ranchers and food producers in light of the pandemic market disruptions, particularly for BIPOC and historically underserved producers and communities; and increase local institutional procurement. Additional goals were to improve healthy food access for local underserved communities, and increase employment and job training opportunities.

In 2022, New Season purchased a five-acre site with an historic 22,000 square foot 100 year-old barn in Esparto, the gateway to Capay Valley, and began to identify the needs for the building's renovation. Valley Vision, on behalf of several local partners, was awarded a $250,000 planning grant through USDA's Local Food Promotion Program to update the 2015 feasibility study for the project. Valley Vision secured an additional grant through Resilient Cities Catalyst from the Hilton Foundation which provided valuable technical assistance and the preparation of a design. architectural and engineering assessment from AECOM. The study set forth a plan for phased renovation of the existing barn and development of a new facility for food processing, along with environmentally sustainable site improvements. Funding is being pursued and the Food Hub Network is participating in a pilot funded by USDA to develop an Interstate 80 Corridor food system partnership.

Some outcomes: Efforts are underway to fund the renovation of the Barn facility and pursue funding for additional site development phases, while identifying both institutional customers and farmers/ food producers, and tenants for the hub.

- *Approximately $3 million has been invested in the hub development, including the County's ARPA grant, the $250,000 USDA planning grant, the Resilient Cities Catalyst project, and matches.*
- *A site development plan with initial design/engineering and cost estimates was prepared by AECOM and has been valuable for fundraising.*
- *The project team prepared several applications for funding and may receive funding from the new USDA Regional Food System Infrastructure grant program that is administered by the State.*
- *The first phase of the Barn renovation is underway and there is an initial tenant for the space.*
- *Capacity building and funding support was provided to food hub network partners through a pilot project that led to institutional procurement with UC Davis.*

USDA Southwest Food Business Center

In 2022 UC ANR led a proposal planning process for a major new USDA initiative to reshape the nation's regional food systems to increase supply chain resiliency; increase equitable access to federal and other resources for underserved farmers, ranchers and food businesses; address climate-related issues; create new market channels such as through institutional procurement; and foster best practices to accelerate adoption. Valley Vision assisted with the development of the proposal along with California Dept. of Food and Agriculture (CDFA) and academia, state depts. of agriculture, and a wide range of nonprofits from Arizona, Nevada and Utah. UC ANR was awarded a $35 million five-year grant in May 2023 and the project - the USDA Southwest Food Business Center - was initiated in September 2023. Valley Vision is part of the Center management team and leads the communications, partnership development and best practices components of the Center.

The Center will provide a $4 million business builder program for farmers, ranchers and food producers, along with capacity building and technical assistance to support smaller, BIPOC, women-owned, underserved, veterans and other food and ag businesses to better access USDA and other resources, and help leverage other resources for food and business operations. There are twelve centers nationally that are working together as a community of practice, in partnership with USDA.

Some Outcomes: The designation of UC ANR with Valley Vision as a core partner for the USDA Southwest Food Business Center brings a major resource to the Capital Region, California and the Southwest States along with a strong partnership with USDA and other federal and state agencies:

- *The grant of $35 million is supporting organizations across the four states including within the Capital Region with resources for capacity building, technical assistance and funding for businesses in the food and agriculture cluster.*
- *The grant is strengthening partnerships within Northern California and across the state, along with CDFA, which is creating new market opportunities for the target businesses and supporting overall regional inclusive development.*

- *California received an additional $33 million in USDA funding for the middle of the supply chain infrastructure to support market access such as to institutions, and farm and food producer equipment to allow businesses to scale. It is expected that businesses and organizations in the region will receive some of this funding.*
- *Partners including Valley Vision are working with multiple divisions of USDA to identify additional resources to expand the Center's capacities, as well as with other federal and state agencies, especially to expand the $4 million Business Build Fund.*

See **announcement**.

In addition to the four major projects described above, several other activities were supported by the project implementation grant to advance the region's food and agriculture cluster priority initiatives and elevate the visibility and impact of the region, especially for EDA funding, including:

- *EDA Build Back Better Regional Challenge Application* – UC ANR, in collaboration with Valley Vision, led the development of the Build Back Better proposal in 2021 for the Northern California Farm-to-Fork Innovation Coalition to ensure a resilient and sustainable national food supply through a set of interconnected projects. The projects included the UC ANR Plant@California Food/Ag/Health Innovation Center, the Alchemist CDC business incubator/public market project, the Yolo Food Hub, the Healthy Food Financing Fund, the UC Davis Smart Farm, the California Mobility Center, and the SF Market food wholesale infrastructure project. The project was supported by the Governor's Office of Business and Economic Development (GO-Biz) and although not selected by EDA, the collaborative process helped the projects develop better business plans which positioned several of them for future successful funding applications, and fostered partnerships which are helping to build the region's food and ag ecosystem.
- *The Plant@California* – Valley Vision provided ongoing assistance to UC ANR on its application to EDA to develop an innovation hub that could anchor the planned Woodland Research and Technology Park – which will provide a large multi-use innovation district for the regional food and agriculture in the city of Woodland in Yolo County close to UC Davis. The Plant will link the region's competitive advantages at the intersection of food, ag, health/bio and climate resilience that will help drive regional, national and global cluster excellence. Partners continue to work with EDA to advance the application.
- *Woodland Research and Technology Park* – Valley Vision provided ongoing support to the city of Woodland and the project developer (see above). The Park, with 350 acres, will serve as a technology hub for an array of research and technology companies interested in locating near UC Davis and other research and technology companies in the region. The city has approximately 200 food and ag related companies in the community including multinational seed and other research and technology companies.
- *NSF Engines of Innovation Application* - Valley Vision participated in the development of an NSF Engines of Innovation application for UC Davis and Aggie Square, UC Davis's emerging innovation Hub in the city of Sacramento. The proposal for the National Engine for Innovation and Workforce In Food (NEW-Food) for technology-enabled food innovation was submitted in 2023. It ranked well but was not funded; however, UC Davis is advancing the project concept for future funding, with its wide network of partners.
- *The VINE* - Valley Vision provided matches for cost sharing for the University of California Agriculture and Natural Resources (UC ANR)'s implementation of the VINE (Verde Innovation Network for Entrepreneurs) EDA grant.
- *UC ANR EDA Tech Hub and NSF Engines of Innovation Applications* - Valley Vision provided support for UC ANR's EDA Tech Hub application in 2023, which included partners in several regions across the state, and for UC ANR's NSF Engines of Innovation application in 2023.
- *Healthy Food System Financing Fund* - Valley Vision prepared the Sacramento Region Food System Financing Strategy in partnership with the Sacramento Region Community Foundation and sought opportunities to activate the Strategy through consultation with USDA, EDA, the Council on Development Financing Agencies, California GO-Biz, CALED and other philanthropic organizations.

- *White House Challenge on Hunger, Health and Nutrition* – Valley Vision co-convened a community forum with the region's congressional delegation, and prepared the region's recommendations for the White House Conference on Hunger, Nutrition and Health.
- *Metro Chamber Cap-to-Cap Program* – The Metro Chamber manages the country's largest annual capital to capital delegation, working closely with the congressional delegation and approximately 400 regional leaders to identify regional economic and community priorities and seek information on funding resources and policy initiatives. Valley Vision co-led the Chamber's Food and Ag Committee, including developing issue papers which were used in consultation with federal agencies including EDA, USDA, NTIA, and SBA on regional CEDS cluster project priorities. The relationships are continued throughout the year.
- *The Coordinated Rural Opportunities Plan (CROP)* – The Prosperity Strategy informed SACOG's strategy to identify the wide range of infrastructure needed to support and drive the viability of the region's agricultural economy, as part of its Rural-Urban Connections Strategy (RUCS) initiative. Six county profiles and a regional profile were prepared by Valley Vision, addressing the following infrastructure: transportation, housing, land use, broadband, water including supply and flood protection, energy, and food system assets such as food hubs, processing and distribution facilities and so forth.

2. Life Sciences Innovation

The Capital Region is home to a small but growing life sciences cluster that is linked with agri-food tech that is driven by the renowned assets of UC Davis and the region's expanding innovation ecosystem. Prosperity Strategy partner the Greater Sacramento Economic Council prepared an **overview of the cluster** in 2023. The anchor project for this cluster is Aggie Square, an innovation district whose development is led by UC Davis along with Wexford Science and Technology, in collaboration with the city of Sacramento. The project is summarized below, and the Prosperity Strategy and other regional partners have worked to expand the network of companies in this cluster across the region.

The UC Davis NSF Engines of Innovation application in 2023 referenced in the Food and Agriculture Innovation section included Aggie Square, given the nexus of food/ag/health/life sciences. Upcoming NSF Engines of Innovation and other major federal initiatives will leverage the cross-campus collaboration of UC Davis innovation centers that bridge food and ag tech, biotech and life sciences, bioeconomy/biomanufacturing, including foods of the future such as alternative meats and proteins, and climate smart agriculture. These assets include UC Davis Health, UC Davis Venture Catalyst, UC Davis Institute for Food and Health, the AI Institute for Next Generation Food Systems, the Robert Mondavi Center, and the UC Davis Integrative Center for Alternative Meat and Protein (iCAMP).

The Prosperity Strategy Partners have assisted regional partners including jurisdictions and innovation ecosystem partners with information on federal funding opportunities such as EDA's Tech Hubs and Recompetes Program. Additionally, Valley Vision conducted a **regional industry advisory workforce meeting** on the life sciences industry with the region's community colleges and workforce boards in 2022 which helped identify skills gaps and support the pipeline of skilled workers to support this cluster.

Several other major new projects are on the horizon, including life sciences technology development in the cities of Elk Grove, Rancho Cordova, Roseville, West Sacramento and Woodland.

UC Davis Robert Mondavi Institute

UC Davis California Tomato Processing Industry Pilot Plant

Aggie Square

The University of California (UC) Davis' Aggie Square is a 25-acre mixed-used innovation district adjacent to the UC Davis Medical Center in the Oak Park neighborhood of Sacramento, also adjacent to an Opportunity Zone. Aggie Square will co-locate business partners and community-based programs with UC Davis innovation and research to create a stronger and healthier shared community and foster partnerships in new technologies and new ways of advancing human health. The development will be home to private industry partners, classrooms, lab facilities, and public-facing programs that engage the local communities and entrepreneurs.

Phase I will be a capital investment of $1.1 billion and add 1.2 million square feet of development. Project plans include over 1 million square feet of research, wet labs, commercial space and housing.

Some Outcomes:

- *Construction started in June 2022 and is proceeding on schedule.*
- *Aggie Square is recruiting industry partners, with several on board.*
- *There is a Community Benefits Agreement underway that will provide resources to community members in terms of affordable housing, and access to job opportunities and health care among other benefits.*
- *An Aggie Launch facility opened that is serving as a community/academic/industry hub to catalyze investment and research partnerships.*

3. Future Mobility Innovation

Future Mobility was identified as an emerging cluster of opportunity for the region by the Brookings Institution and built upon the work of SMUD, GSEC, SACOG, the city of Sacramento and other regional partners, including through a collaboration with PEM Motion from Germany, to foster the region as a global center of mobility solutions and innovation. The California Mobility Center (CMC) was established to create a place-based innovation hub along with an ecosystem of companies, suppliers, providers and other partners. The CMC is an anchor project for this cluster. SACOG, as the region's federally-designated Metropolitan Planning Organization (MPO) and Prosperity Strategy Partner, also led efforts to pilot innovation transportation mobility projects, including to support the region's key economic clusters and market drivers while achieving climate resilience goals. SACOG projects are described in the next section under Infrastructure Investments.

In terms of CEDS implementation, additional CMC-related activities included:

- EDA Tech Hub Proposal - Valley Vision and the Metro Chamber assisted the CMC and GSEC with input on and support for an EDA Tech Hub proposal GSEC submitted in 2023, including helping to secure the support of other regional partners. The application was not selected, but the CMC built upon the application experience to expand a partnership approach with Bay Area organizations that also had submitted a Tech Hub proposal.
- EDA Recompetes Proposal - Valley Vision and the Metro Chamber assisted SMUD and the CMC with input on and support for an EDA Recompetes proposal that SMUD submitted in 2023. The application was not selected but garnered the support of many organizations to continue working together on inclusive economic and workforce development projects in the clean economy.
- Cap-to-Cap Program - The Metro Chamber and Valley Vision advanced the California Mobility Center as a CEDS priority project in the annual Cap-to-Cap program, including meeting with EDA for guidance on industry clusters guidance and funding opportunities.

California Mobility Center

The California Mobility Center (CMC) is a nonprofit 501(c)(3) and a public-private business collaborative whose goal is to accelerate innovation and commercialization of new products, services, and technology in the clean mobility space. It was established to create an innovation hub for the global development of transportation technology, clean energy and decarbonization. The CMC is focused on creating an ecosystem of entrepreneurs, large and small businesses, investors and academia to build world class companies; it provides future mobility innovators and industry incumbents with access to programs and resources that will accelerate the pace of commercialization in California and worldwide. Founders include SMUD, PEM Motion, Sacramento State University, GSEC, the city of Sacramento, UC Davis and private sector companies.

Areas of focus include smart and shared mobility solutions, fueling and charging infrastructure and automated, connected and electric vehicles for on and off-highway use.

Some Outcomes:

- *Established a 25,000 square foot Ramp-Up Facility (RUF) at Sacramento's Depot Park to scale hard tech clean mobility products from first prototype to small-scale production. The RUF also provides a location for hands-on experiential learning and as a space for student projects and applied research in clean mobility prototyping and manufacturing.*
- *Received $5 million in seed funding from SMUD.*
- *Developed workforce training programs including with funding from the California Workforce Development Board's High Road Training Partnership.*
- *Received $2 million in funding (2022) from Congresswoman Matsui's congressional budget request for career pathways development.*
- *Several international companies have located in the region as part of the ecosystem and supply chain development focus.*

4. Targeted Infrastructure Investments

The two priority areas for critical Prosperity Strategy infrastructure investments that are targeted to support economic clusters and market drivers are transportation and broadband. Both are linked through opportunities to increase accessibility and mobility options throughout the region, including to address needs for remote work capabilities and other impacts stemming from the pandemic; reduce greenhouse gas emissions; increase economic productivity; and gain efficiencies through joint-use dig once/dig smart projects, especially given the transformative state and federal investments in "Broadband For All."

Transportation

SACOG is responsible for preparing the region's Metropolitan Transportation Improvement Plan (MTIP) every two years. The MTIP is a comprehensive listing of transportation projects that receive federal funds, require a federal action or are of regional significance. Projects are consistent with SACOG's Metropolitan Transportation Plan/Sustainable Community Strategy (MTP/SCS), also aligned with the Prosperity Strategy. Valley Vision and the Metro Chamber provided input into the 2025 draft MTIP and helped with community outreach and engagement during 2022/2023. The draft MTIP will be released in July 2024 and adopted by the end of 2024.

A major SACOG initiative that supports the overall goals of the Prosperity Strategy, including both enabling infrastructure and the "future mobility innovation" cluster is "**Green Means Go**," a multi-year pilot that aims to lower greenhouse gas emissions in the region by accelerating infill development, accelerating travel options, and reducing and electrifying vehicle trips. Green Means Go has allocated state funding to locally-nominated Green Zones, areas that cities and counties have identified for infill development within areas identified in the MTP/SCS, for planning and early activation projects. SACOG received additional funding for innovative mobility projects:

Rebuilding American Infrastructure with Sustainability and Equity (RAISE)

In August 2022, the Sacramento Region scored a significant win via an award of $20 million for mobility zones and clean transit from the U.S. Department of Transportation's Rebuilding American Infrastructure with Sustainability and Equity (RAISE) program, with two components:

$5 million for region's "Mobility Zones"

The $5 million award from the RAISE grant will enable SACOG, in partnership with municipal, community, and technical advisors from across the region, to address mobility and safety challenges in historically disinvested communities in the six-county region.

The Mobility Zone planning centers around the co-creation of green transportation solutions by bringing together diverse public, private, and community partners. Together they make up three task forces that will meet throughout the duration of the planning project:

- Municipal Advisory Task Force – city and county representatives, El Dorado County Transportation Commission and Placer County Transportation Planning Agency
- Community Advisory Task Force – Civic Thread, community-based organizations, facilitators and diverse cross-section of community members
- Technical Advisory Task Force – Caltrans, transit providers, Sacramento Air Quality Management District, SMUD, Roseville Electric, GRID Alternatives, and UC Davis Institute of Transportation Planning

The project will explore the feasibility of expanding and implementing transportation projects throughout the region such as:

- High-capacity transit like bus rapid transit corridors and express transit priority infrastructure.
- Active transportation infrastructure such as bike facilities and open streets.
- Clean truck and freight zero-emissions vehicle corridors.
- Increased access to electric vehicle clean car share programs.
- Zero-emissions buses and charging infrastructure to meet clean transit goals.
- Mobility hubs that intersect transit, pedestrians, bicyclists, and shared mobility.
- Micromobility and microtransit expansion.

The project was initiated in 2023, and will identify and analyze possible mobility zones. select priority projects within each zone, and advance the priority projects over the coming two years.

$15 million for Yuba-Sutter Transit's Next Generation Transit Facility

Yuba-Sutter Transit received a $15 million RAISE grant from the U.S. DOT for their planned $40 million Next Generation Transit Maintenance, Operations and Administration Facility. The facility will be the future base of their operations and their zero-emissions transit fleet. In August 2021, the agency purchased a 19.7-acre industrial property in Linda, California. The project is planned to be a catalyst for new corridor investments and help revitalize the surrounding community.

Broadband

Broadband is critical infrastructure and enabling technology for economic and workforce development, healthcare, access to services, public safety, environmental management and being able to participate in civic life. Closing the Digital Divide and increasing digital equity is a priority for the region. As the manager of the **Connected Capital Area Broadband Consortium (CCABC)**, Valley Vision coordinates efforts to fill critical broadband infrastructure gaps and improve access and adoption for homes, schools, and businesses and other institutions. Valley Vision also manages the **Capital Region Coalition for Digital Inclusion**. Founded by the Sacramento Public Library, the City of Sacramento and Valley Vision in response to findings from the 2018 Brookings assessment, the CRCDI supports digital inclusion partners through convenings, sharing digital inclusion resources, and developing and implementing projects. CCABC is funded by a grant from the California Public Utilities Commission (CPUC), with other activities funded by grants from the region's workforce boards, philanthropic and other organizations, including EDA.

Through CCABC, Valley Vision assisted with broadband strategies, mapping, and gap analyses in Sacramento, Sutter, Yolo, and Yuba counties to identify priority broadband infrastructure needs and funding opportunities, and work with jurisdictions, Internet Service Providers (ISPs), anchor institutions and funding agencies at the state and federal levels to generate infrastructure project funding applications. (The Sierra Business Council manages the broadband consortium covering El Dorado and Placer counties and the two consortia collaborate closely.)

In 2023, the CPUC opened two major infrastructure funding programs. In June, 2023, seven project applications were submitted by four ISPs, requesting almost $13 million in funding from the State's California Advanced Services Fund (CASF). In September, 2023, a total of 37 broadband infrastructure applications were submitted to the CPUC for Federal Funding Account (FFA) resources, for more than $361 million. California's allocated FFA funds for the region were approximately $114 million. The CASF applications were not funded due to the high demand on a limited amount of funding; the region awaits the FFA decisions but there were be a major investment coming to the region. The planning and consultation process helped identify priorities for the next round of broadband funding - $1.86 billion - which will be allocated to California and implemented through the BEAD (Broadband Equity, Access, and Deployment) program funded by the IIJA and administered by the National Telecommunications and Information Administration (NTIA). A new report funded by EDA will be a valuable resource to address broadband economic development gaps in upcoming infrastructure applications:

Broadband For Business: A Path Forward for the Capital Region

As part of the Prosperity Strategy's economic recovery implementation, Valley Vision received a $213,000 grant from EDA to identify business broadband needs across the four-county CCABC area, including for downtowns both large and small, urban and suburban business corridors, commercial and industrial areas, and rural communities and agricultural areas. The goal was to prepare a guide to help accelerate the awareness and adoption of broadband resources for business operations, management, communications, marketing, telework, and e-commerce, as well as to provide recommendations to target infrastructure investments to underserved areas. The report, completed in the spring of 2024, includes business survey and interview findings; mapping and analysis of underserved areas in all jurisdictions and business improvement districts; and case studies from a range of businesses and geographies across the region.

Some Outcomes:

Recommendations and resources are included for businesses, local governments, providers and technology experts, and entities that serve businesses. Valley Vision worked with the region's chambers of commerce including the Metro Chamber, local jurisdictions, and organizations serving businesses such as Property and Business Improvement Districts (PBIDs) to engage with businesses across the region and to develop focused information and resources, and will work with them on implementation.

In addition to the projects described above, several other activities were aligned with the CEDS implementation grant to advance the region's broadband infrastructure and connectivity opportunities and readiness:

- *Permit Streamlining* - Valley Vision developed the **Getting Connected Resource Guide** which provided detailed information and resources on innovative policies and practices to accelerate broadband investment at the local and regional levels, highlighting examples of best practices, toolkits and information resources from communities across the state and nationally. Funded by the California Emerging Technology Fund (CETF), Valley Vision, partnered with CETF, conducted webinar workshops with regional and statewide partners including the Metro Chamber, the California Association for Local Economic Development (CALED), the California State Association of Counties (CSAC), the League of California Cities, California State University Chico, and CA Forward, reaching hundreds of participants. Valley Vision assisted the California Dept. of Technology and GO-Biz on input and guidance for its permitting survey for local jurisdictions; disseminated the GO-Biz California Local Jurisdiction Permitting Playbook; participated in implementation feedback to the agencies; and disseminated information from NTIA on permitting best practices. This information was included in the EDA-funded Broadband for Businesses: A Path Forward for the California Region.
- *Collaboration on California's BEAD and Digital Equity Plan* – In May 2023, Valley Vision co-convened the region's stakeholder input session for the development of California's BEAD and Digital Equity Plan with the CPUC, the California Dept. of Technology, the California Emerging Technology Fund, and other state and local partners. More than 170 participants identified needs and priorities, and Valley Vision continued to participate in the planning and review process for the plans and provide updates to regional stakeholders, as well as working with ISPs and local jurisdictions to prepare for the BEAD application process.
- *Coordination with NTIA* – Valley Vision meets on a regular basis with the NTIA California representative, sharing information on the BEAD and Digital Equity Plan progress, federal and state infrastructure funding programs, and mapping challenges; collaborating on outreach to and consultation with the region's local jurisdictions; and receiving valuable technical assistance.
- *California Broadband for All* – Valley Vision served as the co-lead of the California Forward Broadband for All Work Group, identifying innovation models and helping to organize and facilitate the annual California Economic Summit workshops on best practices with CA Dept. of Technology, the CPUC, NTIA, state legislative leaders, regional broadband consortia, jurisdictions, ISPs, and other stakeholders.
- *Metro Chamber Cap-to-Cap Program* – Valley Vision served as a co-lead for the Economic Development Committee, preparing issue papers on the Prosperity Strategy's broadband and digital inclusion priorities, gaps and challenges for the region's annual Capital-to Capital program led by the Metro Chamber, to share with the federal legislative leaders and federal agencies including the NTIA and the FCC. Valley Vision and the Metro Chamber also provided briefings for the legislative representatives and agencies, and gathered information on new federal funding and program opportunities related to economic recovery and the IIJA, to provide to local communities and anchor institutions. Priorities included support for the CPUC in its efforts on California's BEAD Allocation, and the implementation of the Affordable Connectivity Program (ACP).

5. Demand-Driven, Sector-Based Workforce Development

This strategy calls for the expansion of workforce development initiatives that are aligned to key industry clusters and provide opportunities for skills building and income mobility that foster a more inclusive workforce, and to increase digital literacy, access and adoption. Valley Vision serves as the Regional Organizer for the region's four workforce innovation boards and the convenor for the region's four community college systems to **conduct demand-driven regional industry advisory meetings**, organized around the region's priority industry clusters. This is an ongoing and iterative process, with two advisories per year convened for each cluster. During the pandemic, the process had to shift to online advisory meetings and account for the impacts on the education system for students and faculty. The process evolved to deepen information and direction to address critical skills gaps and develop a pipeline of workers in key occupations, in partnership with employers and industry leaders. This process enables alignment with emerging industry trends and employer needs and informs education and workforce system investments.

In response to the impacts of the pandemic, climate-related emergency events, and growing economic inequities, the State initiated the California Economic Resilience Fund (CERF), to invest in strategies and implementation in 13 regions across the state to facilitate a transition to a climate-forward, inclusive economy. The CEDS implementation grant provided the opportunity to Valley Vision to conduct an exhaustive community planning process and become the regional convenor for CERF in 2023. This process is described later in the report, but is noted in this section because of new research conducted on the changing regional economy and updating of key industry clusters, as well as the demographics of the workforce, that provided new information and guidance for the industry advisory process.

Given its workforce role, Valley Vision convened a large network of partners to prepare and submit an application for EDA's Good Jobs Challenge in 2022, based on supporting the CEDS priority industry clusters, building upon the qualitative and quantitative research and findings from the regional industry advisory process and other research. While the application was not selected, the process strengthened the partnerships and strategies needed to participate in the highly competitive national challenge grants.

With remote work and other impacts generated by the pandemic, the need for digital skills acquisition – already a regional priority - was accelerated. In response, Valley Vision worked with California State University, Sacramento and other partners to secure a major grant from the National Telecommunications and Information Administration (NTIA) for a Connecting Minority Communities Digital Navigator Pilot Program (described on the following page).

California State University, Sacramento, Connecting Minority Communities Digital Navigator Pilot Program

Valley Vision partnered with California State University, Sacramento to bring a $2.9 million federal grant to the region from NTIA in late 2022, through its highly competitive **Connecting Minority Communities Pilot Program (CMC)**. The CMC is funding Historically Black Colleges and Universities, Hispanic Serving Institutions and others across the U.S. to address pervasive digital exclusion in minority communities. The project purpose is to train students from CSU Sacramento initially, adding students from Los Rios Community College District in the second program year, to become Digital Navigators in the Lemon Hill area of Sacramento County, a highly underserved community identified by the CRCDI. Students will be placed with community-based organizations including the United Way, Asian Resources Center and La Familia to provide digital equity services to residents. CETF is providing technical resources and CSU Chico is assisting with project evaluation, in a partnership with Merced College so impacts can be more broadly documented.

Some Outcomes:

- *The project had some start-up delays but training of the first cohort of student navigators launched in the fall of 2023.*
- *New Community-based organization partners were brought on board.*

Several other activities were either supported by the CEDS implementation grant or aligned with the priorities of the CEDS, including:

- *Digital Literacy* - Through the work of the Capital Region Coalition for Digital Inclusion (CRCDI), the four workforce boards adopted the Northstar Digital Literacy Assessment Tools to assist workers and employers build capacity on digital skills.
- *Digital Upskill Program Pilot* - The Greater Sacramento Economic Council (GSEC) launched the Digital Upskill Program pilot with CARES Act funding from the city of Sacramento, in partnership with the Greater Sacramento Urban League and training organizations, to train people in under-represented communities for careers in tech. GSEC assisted a few cities within the region to replicate this model.
- *Affordable Connectivity Program (ACP)* - Valley Vision worked with funders, community-organizations, ISPS, local jurisdictions and legislative leaders to partner on ACP enrollment activities, and report on enrollment progress through an ACP tracker, to increase access and adoption.

The TPM model - ***Talent Pipeline Management® (TPM)*** – This model was launched in 2015 the U.S. Chamber of Commerce Foundation. TPM offers consistent methods of bringing business, education, and workforce partners together to address and sustain high-quality workforce needs. The Roseville Area Chamber of Commerce is engaging employers and educators in actively building talent, improving the skills of incumbent employees, and utilizing TPM as a tool for economic growth through five industry specific collaboratives: Health Care, Hospitality, Construction & Utilities, Manufacturing, Technology. Valley Vision has begun to partner with the Roseville Chamber on scaling the TPM model through alignment with the Regional Industry Advisories process, focusing on life sciences.

6. Business Friendly Region

Elevating the Greater Sacramento region as a highly competitive and supportive environment for existing business and prospective businesses is another regional priority, with a goal to foster a more diversified and inclusive economy. Areas for action focus on implementing regional policies that strengthen the innovation ecosystem - including financing, facilities and business development resources to support startups, scale ups and spinouts in the region's highest performing sectors; promoting a cohesive messaging strategy for the Sacramento Region as a destination for innovation, testing, piloting and scaling for business in California; and assessing, identifying and addressing the biggest barriers to Sacramento Region's most promising start-ups.

Several activities occurred in this project area. Many of these were led by the Metro Chamber, including the formation of the MetroBusiness Center and the Business and Economic Development Task Force. These initiatives are described below. EDA invested directly in the region's innovation ecosystem through its investment in AgStart described in **# 1, Food Ag Health Innovation**, and project activities by Valley Vision and the Metro Chamber included collaboration with a wide range to community partners to advance projects and applications including for a Tech Hub, and for support for other incubators and accelerators such as the Growth Factory and The Plant, a food/ag/health/climate innovation center being led by UC ANR. The partners are continuing to support these projects.

California Capital Financial Development Corporation and the Sacramento Asian Chamber of Commerce also generated significant resources to support small business economic recovery, including through CARES and ARPA funding and from EDA. Among other initiatives, California Capital launched the Sacramento Valley SBDC in 2022, with funding from the state of California and SBA; has operated the SBA-designated Women's Business Center since 2012; is a CDFI; and manages an EDA-capitalized Revolving Loan Fund. The Sacramento Asian Chamber of Commerce managed the Sac IEDC – Inclusive Economic Development Collaborative, which is described below.

Sacramento Metro Chamber Initiatives

In response to the COVID-19 pandemic, the Metro Chamber formed the Business and Economic Task Force, convening local government officials and business leaders every two weeks to participate in a virtual meeting, where updates and resources were shared by Congressional offices, State Assemblymember offices, the SBA, County office and cities offices across the region. The meetings originated to ensure that businesses and partners had the necessary information as health guidelines changed with the progression of the pandemic. In 2022, the calls evolved to focus on a mix of public health and business resources updates, ensuring that business resources and opportunities to engage in policy and action for the region were shared with 150+ key resource partners and business leader in the community. These calls ensured that business owners throughout the region had access to resources and opportunities for funding, and provided director access to federal, state, and local leadership as business concerns arose.

In 2022, the Metro Chamber launched the MetroBusiness Center, offering one-on-one consulting and specialized business education to small businesses, continuing the efforts of the region's SBDC which was formerly housed at the Chamber. Assistance was provided on topics such as starting a business, business plans, funding options, financial management, marketing, human resources, and networking. Services were developed based on the expertise gathered in working with the business community during the first two years of the pandemic.

Some Outcomes:

- *In the first year of operation, the MetroBusiness Center provided more than 6,300 direct consulting hours, with 3,200 jobs created and $27 million in positive economic impact generated.*
- *The Business and Economic Task Force continues its valuable role to connect resources and networks through bi-weekly meetings, providing timely information on federal, state and local resources, policy and regulatory updates and opportunities for partnership development. The information and networks provided support a cross-section of the Cap-to-Cap Committee, informing the development of priority policy issues and collaboration across issue areas for overall regional prosperity.*

A small business initiative managed by Prosperity Strategy partner the Sacramento Asian Pacific Chamber of Commerce also provided vital assistance working with a network of ethnic chambers and Property and Business Improvement Districts (PBIDs) in the city of Sacramento and Sacramento County, through the Inclusive Economic Development Collaborative.

Sacramento Inclusive Economic Development Collaborative

Founded in 2019, the Sacramento Inclusive Economic Development Collaborative (IEDC) members consist of ethnic chambers of commerce and Business Improvement (BID) organizations that represent the Sacramento region's urban aging corridors. Goals include providing a permanent and organized voice from the diverse business community to promote issues that affect the communities they live in; strengthen the network of partners; and help educate policy makers and the general public regarding economic justice issues related to jobs and the economy.

Small businesses, particularly minority-owned, were hit hard by the impacts of COVID-19, especially on these aging commercial corridors. In response, the city of Sacramento contracted with the Sacramento Asian Pacific Chamber of Commerce through American Rescue Plan Act (ARPA) funding for a technical assistance program to provide much-needed help to any small business located in the City of Sacramento, with assistance geared to help minorities facing additional hurdles to get back to business – the Minority Business Assistance and Recovery Kickstart Program. The program offered webinars with experts on relevant topics such as operating in the COVID-19 business environment; creating an online presence to drive better sales; and 1:1 consulting assistance in a wide range of topics, including in-language options in Spanish, Russian, Ukrainian, Vietnamese, and others.

Some Outcomes:

- *The city of Sacramento supported the recovery program for three years, for an investment of $3.7 million in CARES Act and ARPA funding.*
- *A wide range of businesses in ten business geographical areas were served.*
- *More than 1,100 vacant parcels were identified for activation; catalyze projects were identified that could changes the trajectory of neighborhoods for both businesses and residents.*
- *Organizational capacity was built through the technical assistance provided by a strong network of consultants.*

The innovation ecosystem was strengthened by the work of the Carlsen Center for Innovation and Entrepreneurship and its growing network of partners. A major success was the award by the State of California of an Inclusive Innovation Hub designation for the region, led by the Carlsen Center for Innovation and Entrepreneurship at California State University, Sacramento and the Sacramento Entrepreneurial Innovation Alliance (SEGA).

CARLSEN CENTER
INNOVATION & ENTREPRENEURSHIP
SACRAMENTO STATE

Sacramento Region Inclusive Innovation Hub

The Carlsen Center for Innovation and Entrepreneurship at California State University, Sacramento serves as a regional hub and platform for providing accessible entrepreneurial education, community and support to enable startup founders of all backgrounds to explore and launch their businesses. The Center runs the annual Global Entrepreneurship Week among other activities. The Center also coordinates the Sacramento Entrepreneurial Growth Alliance (SEGA) comprised of many partners across the region, bringing them together to foster innovation and entrepreneurship across the region. Taking an "E-3 approach – equity for every entrepreneur" framework, they launched the NorCal Entrepreneur Hub to provide easier access to services. Through SEGA's quarterly "Dig-In" meeting, the consortia of partners identified collaborative opportunities to support the CEDS and the California Jobs First Initiative by focusing on the industry cluster priorities identified in the CEDS to grow the regional innovation ecosystem aligned with these clusters.

In 2023, the Carlsen Center received a $250,000 grant by the California Office of the Small Business Advocate for an Accelerate CA: Inclusive Innovation Hub to support the regional innovation ecosystem aligned with the CEDS cluster priorities. Valley Vision and the Metro Chamber are members of SEGA and supported the application to the State. In 2023, GSEC joined a formal partnership with the Carlsen Center to help accelerate the innovation startup ecosystem.

Some Outcomes:

- *The programming and ecosystem support for the region's startups and entrepreneurs is expanding. Partners including the Growth Factory are generating support and outcomes through pipelines for entrepreneurs in several industries and collaboration with academia, jurisdictions, nonprofits and innovators.*
- *The Inclusive Innovation Hub grant was a major achievement and will enable the region to address some of the barriers to entrepreneurship, expanding inclusion opportunities and supporting the key industry cluster initiatives with a focus on entrepreneurship which is often missing.*

Another aspect of supporting the region's business ecosystem relates to the manufacturing sector. Building upon the region's designation as of the nation's 24 Investing in Manufacturing Communities Partnerships (IMCP) funded by EDA in 2015, the region is a member of the American Manufacturing Communities Consortium (AMCC). Valley Vision is a co-lead for the Manufacturing Work Group of CA Forward, a statewide public policy organization that convenes an annual Economic Summit in partnership with state and legislative leaders, regional civic leadership organizations, education, and many others. Other co-leads include AMCC and the California Manufacturing and Technology Association (CMTA). This partnership led to the region's participation in the AMCC Road Show series in August 2024:

Sacramento Region Manufacturing Road Show

Valley Vision was a co-convenor of the AMCC/CA Forward Manufacturing Road Show held in August 2023, part of AMCC's EDA grant to support a nationwide community of practice for manufacturing communities. The two-day Sacramento Roadshow engaged state leaders from GO-Biz and the Labor and Workforce Development Agency, EDA, manufacturing representatives, elected officials, economic development organizations, workforce system representatives and SMUD, among others. The Road Show included site visits at manufacturing facilities and discussion roundtables, including on Tech Hubs and CHIPS. **Statewide Road Show findings and recommendations** were included in a major session at the CA Forward Economic Summit held in October 2023.

Some Outcomes:

- *The Work Group worked with state agencies on strategies for the state to support the regions on the new federal initiatives, including Tech Hubs and CHIPS, and other opportunities through the IIJA, the Inflation Reduction Act, and others.*
- *The State worked with CA Forward, AMCC and CMTA to adopt recommendations to create a state Manufacturing Council which will be developed as part of the new California First Jobs Council process run by the state agencies.*
- *Collaboration continues for the CA Forward Economic Summit (October 2024) to enhance the manufacturing cluster statewide and within the regions, foster a sustainable supply chain, and drive the transition to a climate-forward economy, aligned with California Jobs First.*

Additional activities were conducted by Valley Vision and the Metro Chamber that supported the business community in terms of resources, technical assistance and policy. They include:

- *Grant Funding/Project Development Support* - In addition to the support provided to community partners for applications to federal agencies which were described in the above sections, Valley Vision also provided technical assistance for project development, project application review, consultations with the Regional EDA representative, letters of support and grant application tracking for EDA funding for several other projects , including for: a redevelopment project for Old Town, city of Sacramento; a manufacturing training facility for Sierra College in partnership with the Golden Sierra Job Training Agency; renovation of a historic building and site improvements for the Railyards, a major infill site in the city of Sacramento, for LDK Development; the Woodland Research and Technology Park in the city of Woodland; a venture fund for the Growth Factory in partnership with the city of Roseville; and a solar energy and storage system project for the city of Roseville.

- *Cap-to-Cap Program* – As described in above sections, the Metro Chamber conducts the largest capital to capital policy trip annually in the country, working closely with the congressional delegation, local elected officials and a broad cross-section of community stakeholders to identify and advance policy, project and funding priorities across twelve impact areas vital to the prosperity, sustainability and safety of the region. These include air quality, economic development, food and agriculture, flood control, health, public safety, transportation, water, wildfire, and workforce and education, among others. Valley Vision co-leads the Economic Development and Food and Agriculture committees, developing issue papers and engaging with congressional leaders and federal agencies including EDA, USDA, SBA and NTIA to discuss issues and learn about funding opportunities. The **Prosperity Strategy** and range of projects included in the Strategy as CEDS priorities are the focus of the issue papers.

- *Economic and Cluster Research* – During the preparation of the CEDS, Valley Vision convened a Researchers Roundtable of partners conducting research around a range of topics and issues affecting the prosperity of the region, working on concert with the Brookings Institution. This process included partners working on community indicators and metrics. In addition to the Metro Chamber, partners included the Community Colleges Center of Excellence, GSEC, SMUD Sustainable Communities, UC Davis, CSU Sacramento Institute for Social Research, the Sacramento Area Council of Governments (SACOG), California Employment Development Dept. (EDD), Start-Up Sacramento, Tahoe Prosperity Center, the Sierra Business Council, and others. Valley Vision continued to convene the Researchers Roundtable for the development of the region's application to the State of California for the California Economic Resilience Fund (CERF), and subsequent implementation, which is described in the next section.

Other Key Initiatives

The above activities, outcomes and accomplishments encompass the majority of the project's grant objectives in Task 1: *Support regional CEDS implementation* and Task 2: *Build a regional recovery and resilience strategy*. One of the key objectives in Task 1 was to establish a Community Action Council to support CEDS implementation, emphasizing equity and diversity. This process was initiated and then aligned with the creation of the State of California's major new and transformative investment in the state's economic recovery strategy, with planning and implementation funding dedicated to thirteen regions across the state through the California Jobs First, formerly Community Economic Resilience Fund (CERF). The regional strategies were to be focused on inclusive economic development and climate resilience and aligned with and build strongly upon existing strategies including the regions' CEDS.

Through a lengthy and intensive community consultation, collaboration and engagement process, responding to the state's evolving requirements, Valley Vision developed the region's CERF application to the State, serving as both fiscal agent and convenor, and building upon the foundation of the **Prosperity Strategy/ CEDS**. The planning process also included the formation of a regional Leadership Council which accomplishes and expands upon the objectives of this project. CERF constituted the State's start-up and initial planning phases which transitioned to California Jobs First for the second phase of research and strategy development and implementation, in October 2023. The CERF/ California Jobs First process and outcomes are described as follows.

CERF/California Jobs First/We Prosper Together

In October 2022, the Sacramento Region scored a significant win via an award of $5 million dollars in Planning Phase funding to Valley Vision from the CERF/California Jobs First program to Valley Vision. The program – developed and led by the California Labor and Workforce Development Agency (LWDA), the Governor's Office of Business and Economic Development (Go-Biz), and the Governor's Office of Planning and Research (OPR) – was created to advance regional economic recovery and resilience strategies that prioritize the creation of accessible, high-quality jobs in sustainable industries. It is a once-in-a-generation opportunity to advance the Sacramento Region's economic recovery and resilience.

The award was the outcome of a months-long grant application process, during which Valley Vision convened multiple open-to-all webinars, workshops, subregional roundtables, and activity-based committees to inform the region's application. In particular, the Prosperity Partnership, the Tahoe Prosperity Center, the Sierra Business Council, Yuba-Sutter Economic Development Corporation, the Nevada County Economic Resource Council, and the counties of Colusa and Yuba were instrumental in bringing regional stakeholders and community partners to the table. This process engaged almost 900 community leaders and stakeholders. The award covers the **Prosperity Strategy's** six core counties along with Colusa and Nevada counties, as designated by the State to constitute the region. More than 150 organizations and hundreds of community members have been engaged in the process, with these organizations serving as the project's Collaborative. Each of the state's 13 regions developed a local brand for the initiative, with the Sacramento region's brand being **We Prosper Together**.

The 18-24 month Planning Phase, which began in February 2023, was used to stand up the region's Leadership Council, consisting of balanced and meaningful representation from throughout the region, and to prepare the regional economic development plan. With community partners, Valley Vision set up a Launch Committee of diverse community leaders to develop specific criteria for membership and the operating structure for the Leadership Council, to serve as a community-driven leadership council and provide guidance to the California Jobs First planning and implementation process, guided by the framework of the Prosperity Strategy. This process included strengthening connections with local jurisdictions and community-based organizations throughout the region; highlighting the **Prosperity Strategy** priorities and opportunities to leverage federal, state and local funding; and building an inclusive, climate-forward economic development plan.

The **Council** is comprised of diverse representatives covering geographic, industry sector, demographic and overall sector (public, private, nonprofit/community) characteristics. There also are five sub-regional committees that ensure community engagement at the local level and contribute to the overall planning process, and provide input for the Leadership Council. See the **Governance Structure**. Prosperity Strategy partners are included in the Leadership Council.

In March 2024, We Prosper Together announced that the region was awarded $13 million by the State's Regional Investment Initiative, part of the California Jobs First program. The $13 million Catalyst Program award is supporting We Prosper Together's planning and collaboration efforts and will go towards building a pipeline of viable projects that are aligned with the region's shared strategy.

The award marks continued investment into We Prosper Together's efforts of building a lasting economy that represents and meets the needs of the eight-county region and enables families to thrive for generations. Building on the initial $5 million planning grant awarded by the State in 2022, a large portion of the award will go towards accelerating projects benefiting disinvested communities that create quality jobs, remove barriers to opportunities for families, and improve the quality of life in the region. As part of the Planning Phase, We Prosper Together has led the creation of a shared regional plan that is informed by input from the community, stakeholder interviews, surveys, community meetings, and regional economic research led by Brookings Institution-affiliated Cities GPS. The resulting strategies and priorities of the plan, including industry cluster opportunities, will inform investments moving forward.

Metrics

The **Prosperity Strategy** had a set of regional pre-pandemic metrics covering the following topics and data sources:

Metrics	Data Sources
Regional Inclusive Economic Indicators	Brookings Institution Metro Monitor, US Census of Business, Council for Community and Economic Research, US Bureau of Labor Statistics, California Budget and Policy Center
Innovation and Business Growth Indicators	Brookings Institution Metro Monitor, US Census of Business, US Bureau of Labor Statistics, PWC MoneyTree, Stats America, Kaufman Foundation
Workforce Indicators	US Census of Business, US Bureau of Labor Statistics,
Transportation and Infrastructure Indicators	SACOG and Regional Transit, FHWA, California Assn. of Realtors

The rapid disruption of the economy in March 2020 caused by the pandemic and the ongoing economic, societal and health challenges including the rapid shift to remote work, online services, and social distancing, also disrupted the baseline for the Prosperity Strategy's metrics. Many of the indicators were not reported on for a few years and some of the analytics of the data bases changed. However, Valley Vision and the Metro Chamber continued to track data and conduct research with partners, including through ongoing work of the Researchers Roundtable. Updated data and indicators were provided by the following:

- SACOG updated its Regional Progress Report in 2021 and is updating metrics through a variety of planning projects, including for the 2025 Blueprint Plan linking transportation and land use planning, as part of the region's Metropolitan Transportation Plan/Sustainable Communities Strategy (MTP/SCS).
- SMUD's Sustainable Communities Program tracks a wide range of indicators and developed a Resource Priorities Map, an interactive map that uses data to identify areas of inequity and distress in the region.
- Valley Vision partners with the Center of Excellence at Los Rios Community College District on ongoing development of labor market analyses, including industry cluster data and occupational trends and skills gaps, for the **Prosperity Strategy** clusters.
- GSEC prepared a report and comparative analysis on **Incentives in Greater Sacramento and the Life Sciences Report with an Exclusive on Agri-Food Tech** in 2023, among other resources.

- Valley Vision engaged the Brookings Institution-affiliated research and strategy firm Cities GPS to conduct an updated analysis for the regional economy for the required California Jobs First planning process. In July of 2023, We Prosper Together began a collaborative research process to conduct a holistic assessment of the region's economic, climate and public health, referred to as Regional Plan Part 1. It assessed the key assets, opportunities, and challenges in the region, along with the framework for a more inclusive, sustainable and prosperous economy and opportunity clusters and jobs. There are several **reports and resources available** and the project will be developing more in-depth cluster and supply chain analysis in 2024.
- Valley Vision conducted **The Inclusive Economy Poll**, through an ongoing partnership with California State University Sacrament, Institute for Social Research, in May 2024, polling the community about issues of importance to the region. The poll conducted to obtain input on priorities for the We Prosper Together strategy.

In addition, Valley Vision continued to track the Brookings Metro Monitor report, which paused during the initial phase of the pandemic and then restarted with revisions including different data sources to reflect the changed economy. In 2017, the Brookings Metro Monitor showed that between 2006 and 2016, the Sacramento Metropolitan Statistical Area (MSA) ranked in the bottom third of the 100 largest Metro areas in composite rankings measuring improvements in growth (67th), prosperity (71st) and inclusion (84th), part of an uneven recovery from the Great Recession which spurred the creation of the **Prosperity Strategy**/CEDS.

In 2024, the Metro Monitor analyzed the ten-year economic performance of the country's 54 largest metro areas from 2012-2022 and showed strong improvement not only from 2017 but also from the previous year, 2023. In growth and productivity, the region ranked 15th, with Gross Metropolitan Product (GMP) growing by 34/2%. The region ranked 17th in prosperity, including among other indicators a 21.6% change in the standard of living. For inclusion, the region ranked 4th in the country, with a decrease in relative poverty rate at -5%, and a change in median wage earning of 24%.

When the next phase of data is available from the We Prosper Together Region Plan Part 2, Valley Vision will update the CEDS metrics.

Project Governance

In terms of project governance, Valley Vision has served as the "backbone organization" for the implementation of the **Prosperity Strategy**, with support from the Metro Chamber. At the start of the pandemic, the Prosperity Strategy leadership met monthly, with member organization staff meeting bi-weekly. In 2021 Metro Chamber staff prepared a summary report on the path toward economic recovery, identifying implementation priorities of each of the CEDS core strategies, setting forth a focus on one major long-term initiative and complementary short-term initiatives. This approach was required given the need to adjust to the ongoing impacts of the pandemic and other disruptions such as social unrest and climate-related disasters, with a bridge to action for implementation.

In addition to advancing the **Prosperity Strategy** core initiatives described above, the Prosperity Strategy partners provided guidance to the development of the region's planning process and application to the State for funding from the California Economic Resilience Fund (CERF). With their deep engagement in the CERF planning process, the coordination meetings of leadership and staff evolved to being quarterly and monthly respectively. Partners also participated in the meetings with the Researchers Roundtable, including to guide and provide input into the research findings of the Brooking Affiliate Cities GPS. Some of the Prosperity Strategy partners are members of the We Prosper Together Leadership Council. In May 2023, Valley Vision held a strategic planning retreat for the Prosperity Strategy partners, summarizing progress to date on core strategies and CERF, implementation challenges, and setting the course for the coming year.

While providing backbone support for the implementation of the CEDS, including the development of the region's application for CERF funding and implementation of California Jobs First/We Prosper Together, Valley Vision also led communications about the progress of **Prosperity Strategy** initiatives, including a widely disseminated CERF e-newsletter, and presented on the region's progress. Examples include a presentation in March 2023 to the first statewide convening of regional CERF grantees about the collaborative regional strategy history of the Greater Sacramento region and the inclusive economic development framework of the **Prosperity Strategy**/CEDS, and presentation to CALED's annual conference in June, 2023 regarding the region's CERF planning process and the alignment with the CEDS, as a regional best practice, especially for collaboration with local jurisdictions and a wide range of community partners.

Assessment of a new economic development district (EDD) in Sacramento and Yolo counties

Another project activity was to assess the value and potential impact of creating a federal economic development district (EDD) to encompass both Sacramento and Yolo counties. Valley Vision assembled comprehensive information and resources on the implications and potential benefits of having Sacramento and Yolo counties designated as an economic development district. This information was shared with the economic development representatives from both counties. While they had questions regarding costs and required staffing, both counties determined that for the course of the CEDS (through 2025) they were satisfied with being part of a broader regional approach rather than being formed into a two-county district. They said that the issue could be revisited in the future once the current CEDS would be up for renewal.

Additionally, as the CERF project came into being, the structure includes 5 regional sub-roundtables, including one for Yolo and Sacramento counties. Thus, for We Prosper Together planning and strategy implementation, there is a process for subregional focus and collaboration between the two counties, within the framework of the overall strategy. That can provide a foundation for a future decision regarding formation of a Yolo-Sacramento EDD.

Conclusion

As this report highlights, the Greater Sacramento Region partners have made significant progress in the implementation of the **Prosperity Strategy**/ CEDS core strategies and development of an impactful recovery and resiliency strategy. The creation of We Prosper Together through the planning and implementation process of CERF/ California Jobs First is a vital outcome of the CEDS implementation activities and sets a strong foundation for the next year of the CEDS activities which Valley Vision will continue to support, as well as for the next five-year CEDS to be developed in 2025.

For Further information, see **www.valleyvision.org**

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