Overview
San Diego Regional EDC’s mission is to maximize the San Diego region’s economic prosperity and global competitiveness. A nationwide battle for talent, a soaring cost of living, and a growing number of San Diegans that are unable to make ends meet are converging to form an unequivocal threat to our region’s competitiveness. Together with community partners, EDC participated in a “learning lab,” facilitated by the Brookings Institution to develop a regional narrative to promote inclusive economic development. The lab allowed EDC to develop the context for our regional challenges to inclusion, define barriers that exist to finding solutions, and identify a number of organizations and best practices that already focus on these issues. The narrative that EDC has developed provides a foundation for why and how economic development organizations should engage on issues related to inclusive growth.

Our Regional Challenge
San Diego has seen tremendous growth over the past decades, led by its innovation industries. However, that growth has not benefitted all San Diegans. There are more than one million people in the region that cannot afford the basic costs of living. Additionally, a constrained housing supply has driven housing prices and cost of living up, but most San Diegans lack the necessary skillsets to pursue careers in high-growth industries that would alleviate this pressure. This has created a regional competitiveness issue where a significant portion of our population (our talent pool) faces systemic barriers to opportunity and earns inadequate wages that diminish their economic security.

Stewardship Approach to Engagement
EDC embraces a collaborative approach between non-profit, private sector and civic leadership to address these challenges. From the beginning, the San Diego team included EDC, the City of San Diego, Jacobs Center for Neighborhood Innovation and UC San Diego Extension. Additionally, we worked through the learning lab with peer EDO’s from Nashville and Indianapolis, fellow cohort cities in the process. Interactions with peer EDO’s prompted a more diversified perspective and a deeper understanding of pressures and barriers unique to each metro compared to national trends. Finally, to ensure the narrative included as many perspectives as possible, EDC conducted interviews with dozens of organizations and companies, as well as hosted stakeholder roundtables, to learn about specific challenges, impacts and opportunities.

Solution
As a result of the narrative building process, EDC is developing a regional action plan with broad goals that challenge San Diego leaders to champion inclusive growth as a competitiveness imperative. This plan will be implemented in partnership with a number of organizations, cities, businesses and leaders that come together to adopt large-scale goals. To effect change at our regional level, this strategy is being crafted so that each participant can see themselves as part of the solution and own a piece of the plan moving forward.
Key Strategies
Supported by research conducted during the learning lab, EDC believes there are three overarching areas of focus that are paramount to a regional inclusive economic development strategy. A failure to address all three areas will adversely impact many San Diegans’ ability to continue living and working in the region.

1. Elevate the competitiveness of San Diego’s minority populations
San Diego is rapidly transitioning to a majority-minority population with concerning disparities in educational attainment, access to opportunity and economic prosperity. Latinos and blacks are vastly under-represented in San Diego’s advanced industries.
EDC is developing potential strategies to:
   • Align talent development work to narrow educational gap between Latino and black populations and general population
   • Address linguistic-related barriers to entry to career/educational opportunities
   • Seek out/promote best practices among companies regarding diversity and inclusion

2. Promote increased affordability
San Diego’s housing stock is in short supply and among the most expensive in the nation. High costs, such as child care, education, and transportation act as additional barriers to opportunity.
EDC is developing potential strategies to:
   • Seek out/promote innovative models of employer compensation to workers that alleviate some of these pressures (flex hours; telecommute options; childcare assistance, etc.)
   • Conduct a land-use economic analysis
   • Advocate/facilitate strategic development of new employment centers in densely populated areas

3. Foster SME dynamism
Connection between the local San Diego SME ecosystem and broader business community is weak, limiting access to resources and partnerships. SMEs account for the majority of employment, yet pay below average wages. Bolstering an SME’s ability to succeed, especially in underserved communities, can spur innovation and economic growth.
EDC is developing potential strategies to:
   • Create “functional accelerators” for SMEs to assist them in accessing resources that will foster growth
   • Implement a firm-to-firm mentorship program that drives growth in SMEs by pairing them with successful businesses in related industries to help them overcome challenges
   • Embrace cross-cutting engagement for SMEs (especially from underserved neighborhoods) throughout EDC’s core programming
   • Execute programming to foster entrepreneurship in communities
   • Promote tools to effectively engage firms in supplier diversity programs

Key Collaborations
With the backing and support of private industry, and numerous stakeholder organizations, EDC is entering a space with a lot of ongoing activity, albeit from a different perspective. To be
successful, EDC is partnering with companies, business organizations, community development organizations, academic institutions, and city leadership to create and drive this regional strategy.

Results
This is a pilot initiative in its infancy. The results to date have led to the development of a regional narrative that explains the challenge as a broad competiveness issue and spurs interest from stakeholders on all sides. The narrative bridges gaps of perception between private, philanthropic, civic, and academic perspectives by presenting a regional issue, rather than disparate issues in different communities or populations. It remains critical, moving forward, to keep all sides engaged in the discussion and build-out of strategies and solutions.

Role of Stewards
As a reputable neutral convener of the business community, EDC is able to bring private-sector leadership and educators to the table in a way that has been missing from most efforts to date. Having the private sector engaged in inclusive growth strategies is key to moving the needle for San Diego’s regional competitiveness.