



GREATER FRESNO REGION

# DRIVE

DRAFT | 10.31.19





# DRIVE

DEVELOPING THE REGION'S  
INCLUSIVE & VIBRANT ECONOMY

- SUMMARY -  
GREATER FRESNO REGION  
10-YEAR INVESTMENT PLAN

Draft as of 10/31/19



# Open Letter on Racial Equity and the Future of Fresno

October 31, 2019

## Dear Colleagues, Neighbors, and Potential Investors in Fresno's Future:

Participation in the Fresno DRIVE (Developing the Region's Inclusive and Vibrant Economy) Initiative as members of the Executive Committee has been a difficult, exhilarating, and rewarding experience.

We convened the DRIVE Initiative with a commitment to research and data. What we have found not only reveals alarming gaps in Fresno's economy, but compels us to understand that racial inequity is impeding our economic recovery.

Research from PolicyLink and USC shows that our region's struggling overall economy, inequities in access to the economic opportunities that do exist, and unequal health outcomes that follow lines of place, race, and class are all intertwined.<sup>1</sup>

Research from the Urban Institute<sup>2</sup> on economic recovery and inclusion indicates that cities that are more inclusive — more equitable — tend to have healthier economies, and that cities going through an economic recovery tend to become more inclusive.

The same research shows that Fresno's economy has been positioned poorly for recovery. While our economy struggles overall (55th out of 59 large cities in California for economic recovery), Fresno is also the least racially inclusive city in California (59th out of 59 large cities) and among the least inclusive in the nation (263rd out of 274 large cities in the U.S.).

The importance of equity for economic growth even plays out at the household and neighborhood level. Groundbreaking research<sup>3</sup> on millions of families' economic transitions, from one generation to the next, shows that some neighborhoods are dramatically better than others for growing up and escaping poverty. This research has found that areas of greatest economic opportunity have less residential segregation and income inequality, along with stronger primary schools, social capital, and family stability.

Fresno's tale of two cities has gone as far as it can go. This is why from its inception, DRIVE has focused on finding ways to close the stark racial gaps that are holding our economy back.

Of course, racial inequity does not simply land in our laps as an economic research finding. To truly address it, we have found ourselves called to reexamine our history and renew our ambition for a more just community. In Executive and Steering Committee meetings, it became clear that a meaningful, targeted conversation on racial equity was long overdue. Focusing on racial equity is critically important to the

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<sup>1</sup> PolicyLink and the USC Program for Environmental and Regional Equity, 2017. Advancing Health Equity and Inclusive Growth in Fresno County. Available online at [https://nationalequityatlas.org/sites/default/files/FresnoProfile\\_final.pdf](https://nationalequityatlas.org/sites/default/files/FresnoProfile_final.pdf).

<sup>2</sup> Poethig, E., et al. "Measuring Inclusion in America's Cities." The Urban Institute, 2018. See <https://www.urban.org/urban-wire/how-local-philanthropy-addressing-fresno-californias-severe-economic-inequities>.

<sup>3</sup> Chetty, R., et al. "Where is the Land of Opportunity? The Geography of Intergenerational Mobility in the United States." The Quarterly Journal of Economics (2014) 129 (4): 1553-1623. NBER Working Paper No. 19843. Accessed at <https://www.nber.org/papers/w19843>.



long-term success of the DRIVE Initiative, the local economy, and the future of Fresno. We have to find a way to come together as community members to acknowledge our past while working together to create a future that works for everyone.

In order to achieve inclusion, the DRIVE Executive Committee made a commitment to the following strategies we believe will meaningfully ground the Community Investment Plan in our stated values of racial inclusion and equity:

1. Embed racial equity into the goals and metrics of all DRIVE initiatives (fall 2019);
2. Engage local and external “equity experts” in the process of refining and implementing tactics for said initiatives (fall 2019 and beyond); and
3. Engage local and external experts in designing and implementing a broad community dialogue to learn together about the root causes of our current racial inequities and best practices for overcoming them (winter/spring 2019-2020).

Lastly, the foundation for sustaining these commitments and ultimately measuring the success of the DRIVE Initiative will also depend on the level and effectiveness of meaningful community consultation throughout planning and implementation phases. This is why feedback from a first round of community focus groups has been incorporated in the draft DRIVE Community Investment Plan and why further steps to deepen and expand inclusion in this process are critically necessary. We are committed to ensuring that those most impacted by economic development decisions have a seat at the table.

To level set our thinking about equity and inclusion, we turned to Race Forward, an organization that uses systemic analysis to dismantle structural racial inequity and create equitable outcomes for all. Race Forward suggests:

***“We achieve racial equity when race no longer determines one’s socioeconomic outcomes; when everyone has what they need to thrive, no matter where they live.***

***When we achieve racial equity: People, including people of color, are owners, planners, and decision-makers in the systems that govern their lives. We acknowledge and account for past and current inequities, and provide all people, particularly those most impacted by racial inequities, the infrastructure needed to thrive. Everyone benefits from a more just, equitable system.”***

With this definition as our guide, DRIVE participants created a business plan template that embedded racial equity considerations in the development process. It was important for each Work Group to understand the positive and potentially negative effects of the proposals on specific populations and their economic prosperity and well-being.

As initiatives were being drafted, the DRIVE Racial Equity and Inclusion Taskforce adapted an assessment tool from the City of Seattle to help sponsors refine their work and further align goals and metrics with racial equity values ahead of the California Economic Summit in November 2019. Local content advisors with an eye for equity in their respective fields were engaged to ensure a robust examination of the initiatives, and Taskforce members conducted one on one calls with each sponsor. As a result, the DRIVE community



investment initiatives prioritize investments that will close racialized gaps, especially for underinvested communities.

While this imperfect process unfolds, we are building our collective capacity for shared decision-making and community engagement. We understand historical inequities cannot be easily undone and are committed to creating sustainable solutions. While each initiative is in a different stage of development, they are connected by the commitment to leverage existing assets, work collaboratively across sectors, and remain accountable to equitable and inclusive results. We understand this initiative is about much more than closing economic gaps in our community. It is about racial equity. It is about inclusion. It is about building a community that leaves not one institution, one structure, or one person behind.

We invite you to join us.

### **DRIVE Executive Committee\***

Erica Acevedo, Jobs for the Future  
Brian Angus, Fresno Economic Opportunities Commission  
Diego Arambula, Central Valley Community Foundation  
Miguel Arias, City Councilmember, City of Fresno  
Oliver Baines, Central Valley NMTC LLC  
Elliott Balch, Central Valley Community Foundation  
Keith Bergthold, Fresno Metro Ministry  
Natasha Biasell, Ivy Public Relations  
Heather Brown, Fresno Economic Opportunities Commission  
Dr. Michele Cantwell-Copher, Office of the Fresno County  
Superintendent of Schools  
Eric Cederquist, Fresno Cradle to Career  
Sandra Celedon, Building Healthy Communities  
Pastor DJ Criner, Saint Rest Economic Development Corporation  
Lee Ann Eager, Fresno County Economic Development Corporation  
Tommy Esqueda, Fresno State University  
Kelli Furtado, Fresno Housing Authority  
Veronica Garibay, Leadership Counsel for Justice and Accountability  
Linda Gleason, Fresno Cradle to Career  
Dr. Carole Goldsmith, Fresno City College  
Sabina Gonzalez-Eraña, The California Endowment  
Tara Lynn Gray, Fresno Metro Black Chamber of Commerce  
Ana Gutierrez, Jobs for the Future  
Tracewell Hanrahan, Fresno Housing Authority  
Ismael Herrera, CA Forward  
Tate Hill, Access Plus Capital

Sarah Hooker, Jobs for the Future  
Yen Kilday, Central Valley Community Foundation  
Blake Konczal, Workforce Investment Board  
Sarah Moffat, Central Valley Community Foundation  
Deborah Nankivell, Fresno Business Council  
Dr. Ram Nunna, Fresno State University  
Will Oliver, Fresno County Economic Development Corporation  
Dr. Tania Pacheco-Werner, Central Valley Health Policy Institute  
Artie Padilla, Every Neighborhood Partnership  
Vivian Paz, Central Valley Community Foundation  
Lupe Perez, City of Fresno  
Dr. Alan Pierrot, Central Valley Community Foundation  
Preston Prince, Fresno Housing Authority  
Joe Schilling, Urban Institute  
Phoebe Seaton, Leadership Counsel for Justice and Accountability  
Laneesha Senegal, Vision View  
H Spees, Office of Mayor Lee Brand, City of Fresno  
Ashley Swearingin, Central Valley Community Foundation  
Genelle Taylor Kumpe, San Joaquin Valley Manufacturers Alliance  
Ashley Werner, Leadership Counsel for Justice and Accountability  
Sheri Wiedenhoefer, Fresno Pacific University  
Pao Yang, The Fresno Center  
Geri Yang-Johnson, Wells Fargo

\*Participation as an Executive Committee member indicates a commitment to the planning process and the drafting of the DRIVE Community Investment Plan.

Implementation of the initiatives will require separate consideration by each individual organization.



# EXECUTIVE SUMMARY



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## The Fresno DRIVE Initiative

The Fresno DRIVE Initiative is a 10-year Community Investment Plan drafted with input from a 300-person steering committee representing over 150 organizations in the Greater Fresno Region. The composition and scope of the DRIVE coalition is unprecedented, representing a diverse group of civic, community, and business leaders who collectively sought to answer the question,

“ What would it take to fundamentally transform the Greater Fresno Region by 2030 and create opportunities for all residents to achieve real economic mobility by fostering an economy that is inclusive, vibrant and sustainable? ”

The DRIVE coalition undertook a four-month, intensive process to:

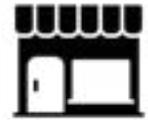
1. Assess baseline data on Fresno’s economy, human capital, and neighborhood quality;
2. Align on a 10-year aspirational vision for inclusive economic development;
3. Identify the key actions and investments needed to achieve the 10-year vision; and
4. Determine the community impact of those investments.

The draft DRIVE Community Investment Plan was supported with strategy development, research and consulting from McKinsey & Company, The Brookings Institution, the Urban Institute, Jobs for the Future, and the Central Valley Health Policy Institute at Fresno State, and with funding from the James Irvine Foundation and the Kresge Foundation.



# The Impact of DRIVE

The DRIVE Community Investment Plan is comprised of 18 investment initiatives that collectively call for nearly \$4.2 billion of investment across three major areas: economic development, human capital, and neighborhood revitalization. When successfully executed, the 10-year DRIVE Investment Plan will deliver the following outcomes for the Greater Fresno Region:



**49,463**  
New Jobs  
Directly &  
Indirectly

**13,800**  
Housing Units  
& Vouchers  
Created & Preserved

**64,200**  
Workers  
Trained

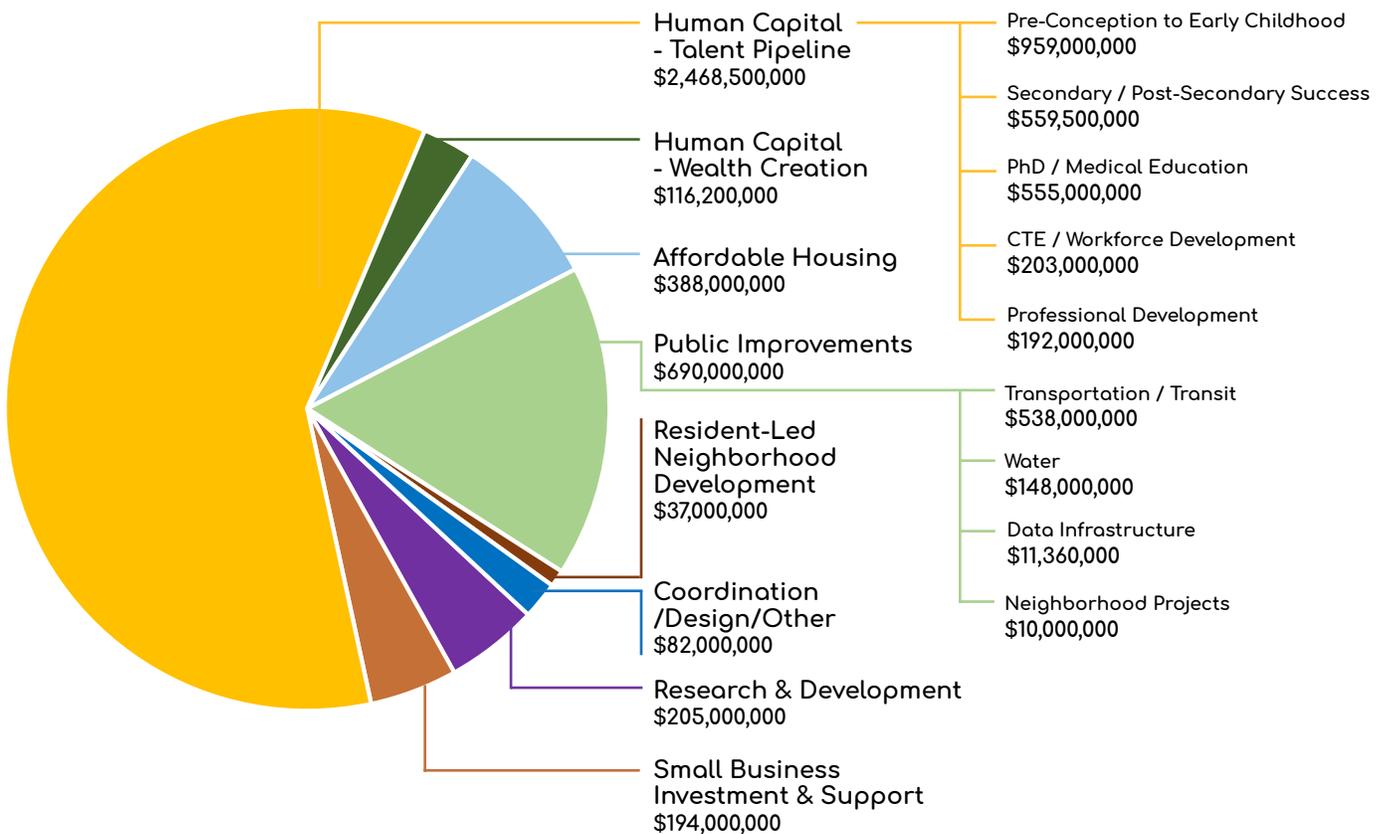
**269,950**  
Residents  
Positively Impacted  
and Involved

**3,450**  
Small  
Businesses  
Supported

## Diversified Investment

The DRIVE Community Investment Plan calls for over \$4 billion of public, private, and philanthropic investment by 2030, as summarized below:

DRIVE Investment Snapshot:  
**\$4,180,700,000**



# Our Starting Point

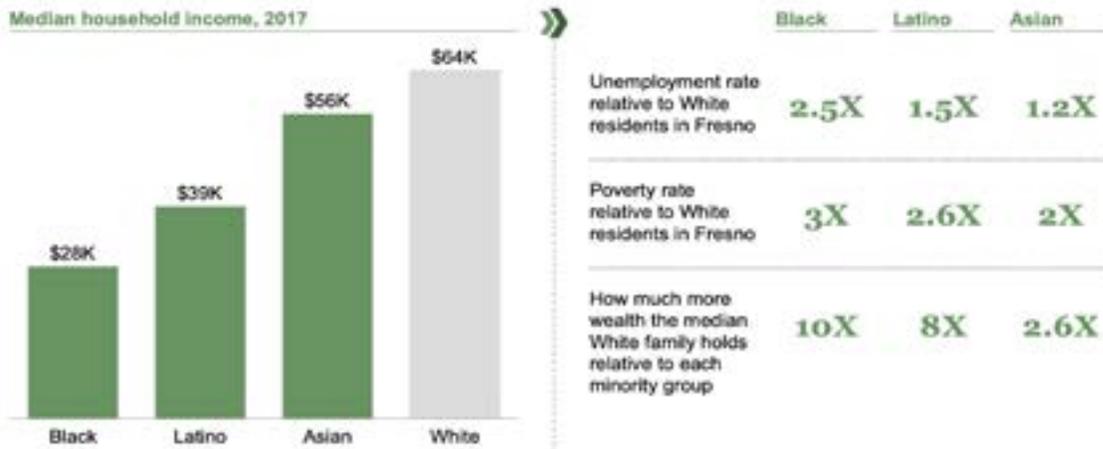
Located in California's vast Central Valley, Fresno is a community rich with cultural and economic assets. With over 50% of its population under the age of 30 years old and 65% of its population identifying as Hispanic, Black, or Asian, Fresno truly represents the future of California and the future of the nation.

After 20+ years of difficult civic leadership work, Fresno is increasingly known around the state and nation for its community development and advocacy efforts, which have begun to yield meaningful resident engagement, policy changes, public and private investment, and momentum for positive change.

The Fresno DRIVE coalition both honors the momentum of recent years and submits the community's progress to the scrutiny of the deep, systemic challenges that remain untouched in the community.

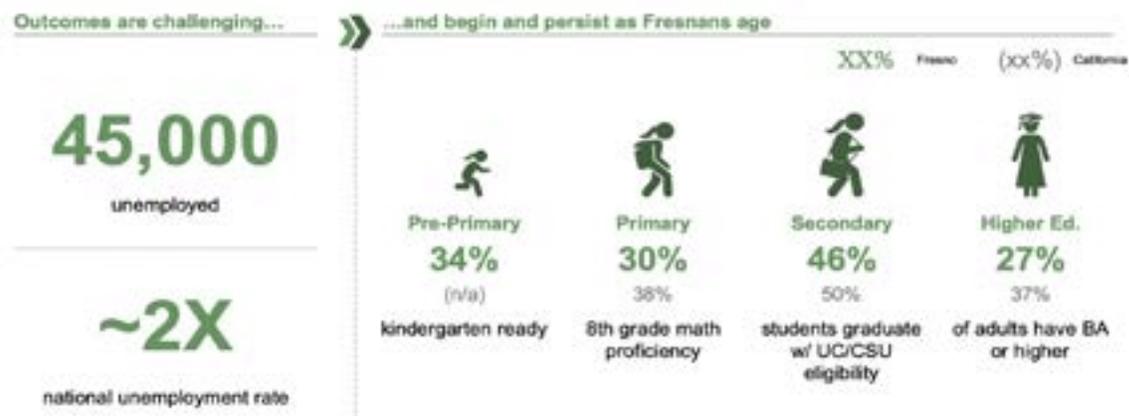
Fresno continues to experience an economy that provides too few quality jobs and a concentration of low-growth, non-exportable sectors; a human capital pipeline that leaves too many behind; and the largest racial and neighborhood inequalities in California. Addressing these economic and racial disparities head-on is the focus of the DRIVE Investment Plan.

## Our Current Racial Economic Inequities



SOURCE: The Federal Reserve, Survey of Consumer Finances, 1983–2016; US Census American Community Survey 5-year estimates, 2017

## Our Current Human Capital Pipeline



SOURCE: Fresno County Cradle to Career 2018 Annual Report, Fresno County Landscape Cradle to Career

# Our 10-Year Aspirational Goal



The DRIVE coalition aligned on a common vision and set of aspirational outcomes for the Greater Fresno Region to achieve by 2030. Our vision for the region is:

“To create opportunities for **all** residents to achieve real economic mobility by fostering an economy that is **inclusive, vibrant, and sustainable.**”

MEASURABLE  
OUTCOMES:



Underpinning this vision is a set of 11 aspirational outcomes we seek to achieve over the next decade in order to make this vision a reality.

## ECONOMIC DEVELOPMENT



- Increase the number of good and promising jobs across all educational levels
- Attract significant, new capital investment
- Reduce racial and ethnic economic disparities
- Develop a robust small business and entrepreneurship ecosystem

## HUMAN CAPITAL



- Improve early childhood education and outcomes
- Support reskilling/upskilling of current workers to prepare them for better jobs today and tomorrow
- Increase participation and completion of career technical education and other credentialing programs
- Increase production of post-secondary graduates in high-growth, high-wage disciplines (engineering, computer science, ag-, bio-, and water-tech and other select STEAM disciplines)

## NEIGHBORHOOD DEVELOPMENT



- Improve housing affordability and stability
- Reduce racial and economic isolation
- Support environmental justice and sustainability

# Our Roadmap

## The Draft DRIVE Community Investment Plan (At-A-Glance)

Developing the draft DRIVE Community Investment Plan began with a community-wide inventory of existing initiatives directly relating to DRIVE's 10-year vision and focus on economic development, human capital, and neighborhood development. In total, 125 initiatives were reviewed, categorized, and assessed for inclusion based on their alignment, momentum and community buy-in, impact, feasibility, and diversity of impact. The assessment process, based on national best practices and coordination efforts with external experts, resulted in 25 major investment themes, which were ultimately developed into the 19 community investment initiatives summarized below.

 <b>ECONOMIC DEVELOPMENT</b>	 <b>HUMAN CAPITAL</b>	 <b>NEIGHBORHOOD DEVELOPMENT</b>
<p><b>Fresno-Merced Food Innovation Corridor</b> Forms a public/private partnership involving UC Merced, Fresno State, and private enterprise making the Fresno / Merced High Speed Rail corridor the "precision food systems" tech corridor of California.</p> <hr/> <p><b>Betting Big on Small Businesses Owned by Women and People of Color</b> A 'best in class' small business support initiative including a \$102M fund impacting 2,500 small businesses owned by women and people of color, creating 6,000 jobs.</p> <hr/> <p><b>Second Office Fresno</b> Targets small and medium sized firms in congested parts of California with a "patient capital" venture fund that supports second office locations in Fresno.</p> <hr/> <p><b>Next Generation Aviation</b> An end-to-end talent pipeline and training program designed to capture the emerging electric aviation market and develop the blueprint for a world-class electric aviation testing lab and innovation hub.</p> <hr/> <p><b>Water for All</b> A suite of investment proposals to ensure water demands of urban, agricultural, environmental, and disadvantaged communities are met.</p> <hr/> <p><b>Sites &amp; Spaces*</b> * In development Aims to develop shovel-ready, industrial park space with a triple-bottom-line approach to ensure equitable benefits are accrued for communities most impacted by the development.</p>	<p><b>Upskilling</b> Upskill 22,000 high school and community college CTE students with work-based learning opportunities and provide 25,000 low-income / under- and unemployed adults with case management and flexible job training.</p> <hr/> <p><b>Pre-Conception to Five</b> Supports 139,654 children ages 0-5 and their families through evidence-based programs to improve early childhood and lifelong outcomes.</p> <hr/> <p><b>Integrated Data System</b> Building the cultural and technical infrastructure for longitudinal, cross-agency data sharing, starting with a proof-of-concept pilot for 20,000 children ages 0-5 and their families.</p> <hr/> <p><b>College Completion+</b> A multi-pronged strategy aimed at adding 30,000 bachelor degrees in Fresno by 2030.</p> <hr/> <p><b>Integrated K-16 System in High Growth Sectors</b> In partnership with the Governor's Council on Higher Education, an integrated K-16 system graduating 8,700 students by 2030.</p> <hr/> <p><b>Teacher Workforce</b> Attraction and retention for teachers resulting in 500 new teachers, diversifying the workforce, and supporting 1,150 teacher-leaders.</p> <hr/> <p><b>UCSF Fresno Medical School Campus</b> Expand the impact of a world-class medical school to Fresno and the Central Valley to improve health outcomes.</p> <hr/> <p><b>Fresno Attracts Talent</b> A multi-media campaign to counteract "brain drain" resulting in the attraction of 4,000+ people with bachelor degrees in targeted areas.</p>	<p><b>Wealth Creation in Communities of Color</b> Materially closes the wealth gap by providing long-term savings bonds for 20,000+ children, supports emergency and long-term savings for 30,000 adults, provides low- and no-interest loans for 20,000 low-income minority households; enables 7,200 residents to be a part of commercial real estate ownership; and provides homeownership support for 7,200 residents.</p> <hr/> <p><b>Downtown 2.0</b> Community development solutions that re-center investment focus away from greenfield development and back onto Central Fresno by supporting the downtown economy, high speed rail station area development, and the region's most robust cultural assets.</p> <hr/> <p><b>Fresno Opportunity Corridor</b> An 11-mile transit corridor in south and central Fresno that fosters healthier, more prosperous, sustainable and better connected neighborhoods through infill and equity-based Transit Oriented Development.</p> <hr/> <p><b>Civic Infrastructure for Low Opportunity Neighborhoods</b> A 'next generation' model for civic infrastructure that advances place-based, resident-centered strategies in 16 of the 32 under-resourced, extreme poverty neighborhoods in Fresno.</p> <hr/> <p><b>Permanent Affordable Housing</b> Overcoming barriers to equitable, affordable housing by creating, renovating and ensuring access to over 12,000 quality, affordable units by 2030.</p>

## Forging A New Path

Regional economic development initiatives are nothing new, and DRIVE is not the Fresno region's first attempt to develop a coordinated approach to job creation. Despite the best intentions of such efforts over the past two decades, economic opportunity has continued to stagnate and even erode in Fresno, particularly for those at the margins. DRIVE aims to achieve different results by taking a fundamentally different approach. Three features differentiate DRIVE from past efforts at economic development:

- ➔ DRIVE simultaneously, explicitly, and structurally addresses goals of both growth and equity. This replaces the mindset from previous economic development efforts that any job created is a good thing, and that job creation alone is sufficient.
- ➔ DRIVE is organized around meeting an investment-worthy standard, and holds itself accountable for providing the rigor of a business plan to justify investment.
- ➔ The DRIVE process involves hundreds of stakeholders, organizations, and community representatives, many of whom have not been involved in past regional economic development planning processes.

The transformative ethos of DRIVE is both intentional and necessary in order to shift the trajectory of our economy.

## The Journey Ahead

Although the DRIVE Initiative represents catalytic progress for advancing our community, the coalition is keenly aware of the significant distance left to travel to achieve its vision. The draft DRIVE Investment Plan represents a clear starting point for our community, but this transformative approach to inclusive economic development requires a long-term commitment from residents and local and regional stakeholders.

While we have been engaged in the drafting process, we have heard from community members who would like the opportunity to propose entirely new ideas into the arena of discourse. Having arrived at this draft, we are committing now to creating an opportunity for community members to add ideas that have been missed in our first round of work and determine the priorities for investment as we move forward. Community members will have the chance to join existing Work Groups or form new ones, and introduce new goals and strategies, utilizing our work on DRIVE to date as a source of data and a template for work products to the extent they are helpful. The Fresno DRIVE Coalition is committed to securing

the funds necessary to fully resource the cost of the community engagement and empowerment.

Additional ongoing efforts must include operationalizing the commitment to race and equity, integrating across the initiatives, further detailed business plan development, development of ongoing governance and mutual accountability, and tracking our progress along the way.

The Fresno DRIVE Initiative is more than a plan – it is a clear and achievable roadmap to an economy that is inclusive, vibrant, and sustainable. The Fresno DRIVE coalition is committed to ensuring our collective work does not simply result in a redrawing of the exclusive systems that have traditionally driven our economy, but instead an entirely new way of thinking, doing, and developing a region with the heart of all of its residents in mind.

**We are investment worthy. We are willing and eager to do the work laid out before us, and we welcome those who want to join us on the journey.**

