

MEETING SUMMARY



Meeting Title	Capital Region CERF Collaborative Research						
Date	11/13/23	Start Time	3:30pm	End Time	5:30PM	Location	Zoom
Facilitator(s)	Darlene Meza, Maritessa Ares , Richard Dana						
Speakers and Guests	Chad Shearer, Evan Schmidt , Rachel Barker ,						
Attendees:							

Meeting Purpose & Objectives

1. Regional economic performance and opportunity.
2. Regional collaboration and economic growth in the Capital Region.
3. Cost of raising a family in California counties.

Item 1: Regional economic performance and opportunity.	Agreements & Action Items
<p>Discussion Summary</p> <ul style="list-style-type: none"> ● Chad Shearer presents regional economic data, pausing for questions and comparing the region to US and California. ● Chad Shearer discusses how economic growth has impacted individuals 	<p>1.</p>

<p>and families, highlighting the need to identify struggling workers and provide them with training for good jobs in the region's economy.</p> <ul style="list-style-type: none"> ● The analysis includes six headings: overview and performance, opportunity, clusters, innovation, and talent, with the goal of understanding the region's economy and building blocks for a more inclusive, equitable, and low-carbon economy. ● Counties in the Sacramento region have varying populations and job levels, with Sacramento having the highest. ● Counties within the same metropolitan area can have varying levels of industrial and occupational similarity, despite being adjacent to each other. ● Chad Shearer presents data on how counties in the Sacramento region are clustered together based on worker movement, showing that Sacramento and Yolo County form their own subregion, while Placer, El Dorado, and Nevada form another. ● The presentation highlights the variation in economies across the region, with different scales of earnings and productivity within each subregion. ● 	
<p>Item 2: Regional collaboration and economic growth in the Capital Region.</p>	
<p>Discussion Summary</p> <ul style="list-style-type: none"> ● Valley Vision aims to expand job sharing and economic growth to Nevada, Yuba Sutter, and Colusa counties. ● Chad Shearer notes that the region is large and has urban centers far from major job centers, highlighting the need for regional collaboration and equity. ● Eric raises the point that classic Placer County's job base is next to Sacramento, but there are other job centers further east that are not well connected. ● Economic growth and job trends in a region. <ul style="list-style-type: none"> ○ Chad Shearer analyzes data from Light Cast to show Nevada and 	

Calusa's job growth and earnings during the pandemic, with a 20% job growth rate and high earnings growth.

- Chad Shearer highlights strong earnings growth in the region, with a 30% increase in value added for the gross regional product.
- Local service industries, such as healthcare and retail, drove job growth, while tradable industries, like zero-emission vehicles, grew more modestly.
- Regional economy performance and industry trends.
 - Local service industries drive job growth in most regions, with some exceptions.
 - Chad Shearer explains how the region's economy is classified into tradable and non-tradable industries, and how this impacts its performance relative to benchmarks.
 - Chad Shearer analyzes the Capital Region's economic performance, finding that local serving industries are thriving while tradable industries are struggling.
 - The region's job growth, earnings, and value added growth beat expectations, but productivity lags behind California and the US.
 - Subregions within the Capital Region show mixed performance, with some counties performing better than others in terms of growth and prosperity.
- Economic development in the Capital region.
 - Evan Schmidt highlights the progress made in developing tradable sectors in the region, with modest improvements seen across various sectors.
 - Chad Shearer emphasizes the importance of asking "what if" questions to evaluate the impact of economic development interventions in the region.
 - Chad Shearer highlights the dependence on local serving industries as a growth engine in the region, which can be less sustainable over time.

<ul style="list-style-type: none"> ○ He also notes that the arts and recreation sector is small compared to other industries in the region, with ● Regional economic growth and job creation. <ul style="list-style-type: none"> ○ California's growth in the region is surprisingly positive despite regulatory headwinds. ○ Chad Shearer notes that remote work data may not accurately reflect regional economic performance. 	
Item 3: Cost of raising a family in California counties.	
<p>Discussion Summary</p> <ul style="list-style-type: none"> ● Chad Shearer discusses the high cost of raising a family in California, particularly in El Dorado County, where housing and childcare costs are significantly higher than in Colusa County. ● The analysis looks at the budget needs of different types of families, including those with preschoolers and teenagers, and highlights the differences in costs between counties. ● Chad Shearer explains that the budgets provided by their data provider are grossly low and do not account for other essential expenses such as emergency savings and retirement savings. ● The budgets vary greatly depending on factors such as the number of children and their ages, with Eldorado and Placer County being the most expensive and Calusa and Yuba County being less expensive, despite being about two-thirds of the cost of raising the same family out of county. 	
Item 4: Poverty and affordability in a region.	
<p>Discussion Summary</p> <ul style="list-style-type: none"> ● Rachel Barker and Chad Shearer discuss the low housing numbers in a living wage calculator, which are derived from fair market rents from the Department of Housing and Urban Development. 	

<ul style="list-style-type: none"> ● The data provider assigns rental units based on the 40th percentile of recorded rents and rent equivalents, resulting in lower housing costs than might be expected for families of different sizes. ● 28% of the region's population live in families that are struggling to make ends meet, with at least one worker in the household. ● Over half of the region's children belong to struggling families, with 44% growing up in resource-constrained environments. ● 	
Item 5: Economic struggles of workers in different age groups and demographics	
<p>Discussion Summary</p> <ul style="list-style-type: none"> ● Younger workers and those with less education face higher rates of financial struggle, particularly in supporting themselves or their families. ● Disparities in financial struggle exist by race and ethnicity, with Hispanic workers being more likely to struggle than white workers, and black and Native American workers facing similar challenges. ● Chad Shearer highlights that younger workers are more likely to struggle to make ends meet in every subregion, with 48% of 18-24 year olds in Sacramento and YOLO counties struggling, compared to 1/3 in Nevada County. ● Two-thirds of the struggling worker population are in the 25-34 and 35-54 age groups, with most having the education needed to compete for high-paying jobs. ● Income levels for struggling workers in a region. <ul style="list-style-type: none"> ○ Parents, particularly single mothers, are disproportionately struggling to make ends meet. ○ Average wage needed to lift struggling families out of poverty varies by region. ● 	

<p>Item 6: Job quality and regional variations in California.</p>	
<p>Discussion Summary</p> <ul style="list-style-type: none"> ● Chad Shearer defines a "good job" as one that pays a livable wage and provides employer-sponsored health insurance, paid family leave, and retirement plans. ● The organization is identifying "promising jobs" that may not meet all of these criteria today but have potential to lead to good jobs within 10 years. ● Chad Shearer shares valuable information on good jobs in the region, with 35% of the job base qualifying as good jobs. ● Chad Shearer highlights variations in good job holders across California regions, with Sacramento County performing better than average and Nevada County significantly lower. ● Differences in good job holders are observed across demographics, with bachelor's degree holders more likely to hold good jobs compared to those with no degree, and large disparities by race and ethnicity. ● Chad Shearer highlights the disparities in good job holdings among different demographics, with Native Americans facing a significant gap in job quality. ● The sectoral distribution of good jobs varies widely, with tradable industries having a higher proportion of good jobs compared to local serving industries. ● 	
<p>Item 7: Job quality and sector analysis</p>	
<p>Discussion Summary</p> <ul style="list-style-type: none"> ● Chad Shearer highlights the variation in job quality across different sectors and regions, with some industries (e.g., microelectronics, transportation equipment) offering better job quality than others (e.g., textiles, food manufacturing). 	

- He emphasizes the importance of understanding where people with different levels of education can find the best job opportunities, and suggests that economic developers and workforce developers should focus on this.
- Chad Shearer highlights the concentration of good jobs in certain sectors and demographic groups in the region, with utilities, government, and healthcare providing the most good jobs.
- The transcript breaks down job quality by sector and demographic group, showing that age 35-54 workers in government hold the most good jobs in each of these areas.
- Chad Shearer explains that the good job sector research did not consider supply chain for each sector, but will do so in a future clusters analysis.
- Speaker 6 expresses concern about being included in the study, as their small business provides good-paying jobs but may not be reflected in the data.
- Chad Shearer clarifies that the study includes businesses that employ workers and report income tax or unemployment insurance, and emphasizes the importance of small businesses for future growth.
- Chad Shearer suggests leveraging government procurement and nonprofits to support job quality in the region.
- Chad Shearer discusses talent requirements in good jobs, finding that technical knowledge and skills are more important in good jobs than in other types of jobs.
- The analysis reveals that programming, operations analysis, and other technical skills are 1.7 times more important in good jobs than in other jobs.
- Job skills gaps in California
 - Chad Shearer analyzes 120 specific human capital facets across 3 domains (abilities, skills, knowledge) and finds that technical skills and problem-solving abilities are most important for good jobs.
 - For workers with different levels of education, certain skills are

more important than others, such as installation, repair, and programming for those with an associate's degree, and engineering and technology for those with a bachelor's degree.

- Chad Shearer: Struggling workers have 85% of human capital needed for good jobs, with gaps shrinking for specific education levels.
- Regional variation in job gaps for bachelor's degree holders, with southern counties faring worse and Sacramento/Yolo counties closer to meeting requirements.
- Chad Shearer presents analysis on critical skills gaps for good jobs in the region, with the biggest gap being operations analysis (level 16 to level 31).
- The analysis breaks down skills by sub-region, education level, and other factors to provide detailed insights for the region's path forward in the jobs first program.
- Using data to support small business growth in the region.
 - Speaker 7 suggests using data to identify specific skills small businesses need to grow and close gaps in talent and resources.
 - Speaker 7 and Chad Shearer discuss potential applications of research, including making it easier for small businesses to access resources and talent.
- Job creation and economic development in the region.
 - Marek Gootman discusses the need to prioritize skills development for jobs in green infrastructure and electrification.
 - Marek Gootman and Speaker 7 discuss the accuracy of data on good jobs in the region, with Chad Shearer explaining the limitations of survey data and the team's goal of providing directionally correct information.
 - The conversation turns to housing costs as an issue raised by multiple participants, including Speaker 7.
 - Marek Gootman and Chad Shearer discuss the accuracy of data in

policy decisions, with Marek highlighting the importance of considering policy choices when interpreting data.

- Chad Shearer explains that while data is accurate, it doesn't necessarily show the size or proportion of the creative economy in the economy, and its impact is measured in other industries.
- Regional data and research product launch.
 - Renee John thanks attendees and provides updates on the research product and events in different regions.