

ScaleUP

Sacramento

An Inclusive Economic Action Agenda

WHAT IS THIS?

ScaleUP Sacramento examines the regional economy and identifies opportunities to drive our region's growth by prioritizing new strategies to help create economic mobility and opportunity for all residents.

OUR GOAL

To make Sacramento a prosperous place to live, work and play by preparing our region for sustainable, inclusive growth in the "Next Economy," a dynamic, knowledge-based global economy that thrives on innovation, productivity, and building on its existing assets.

INCLUSIVE GROWTH

Sacramento cannot thrive without involving every neighborhood and resident. As a core tenet and imperative of Sacramento's efforts to thrive in the Next Economy, we must seek to position underserved and underrepresented people and communities as leading owners, drivers and beneficiaries of enormous growth opportunities. This is especially critical given the disparity our city's people of color currently face in educational attainment, job accessibility, employment in high-tech jobs and more.

Each market analysis, opportunity and strategy is informed by and intended to accomplish the goal of inclusion.

In shaping policies and practices to guide Sacramento to future prosperity, we will continually prioritize inclusive practices across four dimensions:



EMPLOYMENT

Ensuring that workers of all skill levels and backgrounds are prepared, matched and upskilled for quality jobs with strong career ladders.



OWNERSHIP

Growing company ownership by people of color to generate wealth, find opportunities in high-growth industries, and secure real estate ownership in residential, commercial and industrial development opportunities.



LOCATION

Placing and supporting firms in areas that are readily accessible to disadvantaged populations.



PARTICIPATION

Ensuring diverse representation of all races, genders, backgrounds, national origins, etc., at private, public and civic sector "tables" where growth strategies and economic policies are shaped.

Scaling Up Sacramento's Strengths

HOW WE WILL DO THIS

FIVE MARKET LEVERS FOR ECONOMIC GROWTH

ENHANCE

Regional Industry + Clusters

Industry based concentration of firms
Increased productivity + efficiency:
shared labor pool, lower transaction
costs + knowledge exchange



DEPLOY

A Prepared Workforce

High levels of human capital and rich
job pools
Job matching and worker mobility
Inclusiveness and opportunity



DEVELOP

Innovation + Entrepreneurship
Ecosystem

Entrepreneurship
Cluster- and firm-based innovation
Commercialization of R&D



INTEGRATE

Neighborhood + Regional
Development

Compact, well-connected urban form
Location of businesses, suppliers,
workers + consumers
Next-generation infrastructure, strong
transportation connections



CREATE

A Connected, Cross-Sector
Economy

Tax-value proposition
Cross-sector partnerships + defined roles
Intergovernmental Cooperation



LEVERAGE POINTS FOR
SUSTAINABLE AND
INCLUSIVE PROSPERITY

The moment is right for us to build upon our region's distinctive strengths and secure a competitive position in the global economy that will generate sustained, inclusive growth. ScaleUP identifies five key drivers of growth, or market levers, as keys to advancing and prioritizing near-term action to make tangible progress on economic prosperity.

- L1** Industry Clusters
- L2** The Future Workforce
- L3** Innovation + Entrepreneurship
- L4** Integrated Regional and Neighborhood Development
- L5** Connected Cross-Sector Economy

To implement this approach, we have outlined a series of strategies and initiatives, aligned with these five levers, that will guide the City in prioritizing policies, programs, projects and initiatives as we grow an inclusive, prosperous economy.



L1: INDUSTRY CLUSTERS

To prosper in the Next Economy, regions around the globe must identify and invest in clusters, highly specialized, industry-based concentrations of firms and related institutions that can create productive efficiencies by co-locating with one another.

ScaleUP Sacramento identifies five existing and emerging clusters in the region:



**FUTURE
MOBILITY**



**LIFE
SCIENCES**



**CLEAN
ECONOMY**



**AGRICULTURE,
FOOD & BEVERAGE
MANUFACTURING**



**HEADQUARTER
& BUSINESS
SERVICES**

LEVER 1 STRATEGY

Become a global center for firms and labor force in Food Manufacturing

How We'll Do It: Food Manufacturing Innovation Park

Anchored by co-packing and co-production facilities, the Food Manufacturing Innovation Park will also provide shared business, technology, logistics and other support. It will serve new scale-up food manufacturers, as well as existing small- and medium-sized firms adapting to new challenges and opportunities.

Become a global center for firms and labor force in Future Mobility

How We'll Do It: Mobility Hub

The California Mobility Center (CMC) is a transformative initiative to grow capacity and move up the value chain that focuses on developing new, more sophisticated products in the emerging mobility industries.

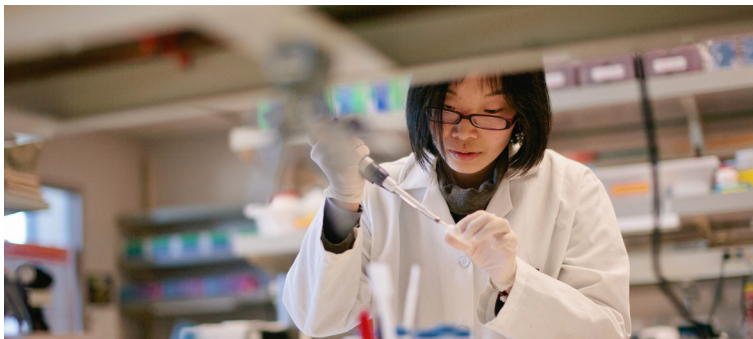
As either an integrated element of CMC or as a new initiative that builds off CMC's work, the Mobility Hub will connect stakeholders and offer additional technical, business and financial support for advanced manufacturing in Energy and Autonomous Vehicle Hardware firms. In turn, this will support entrepreneurs and start-ups that prototype products at CMC to scale up their businesses, stay in Sacramento and succeed.

Become a global center for firms and labor force in selected Bio and Ag Sciences

How We'll Do It: Bioscience Manufacturing Park + Life Sciences Inclusive Cluster Collaborative

Focused on next-generation therapies and biologics, the Bioscience Manufacturing Park will accelerate the commercialization of new products while helping to scale up companies and make Sacramento a center for larger-scale drug manufacturing.

Concurrently, a Life Sciences Inclusive Cluster Collaborative will tie together, accelerate and scale growth by enabling industry stakeholders to coordinate more effectively, collaboratively innovate, and invest in workforce, supply chain, new technology and market development.



Building from the firms currently serving government, develop a new concentration of business services firms to meet the needs of high-growth, high-tech scale-up firms

How We'll Do It: Cluster-Based Support

By providing a combination of sophisticated, cluster-based support for growing firms' various business and financial needs, alongside talent development opportunities and institutional networks, we can position Sacramento as a major global center for innovation and inclusive growth.



L2: THE FUTURE WORKFORCE

People are the most important assets for any region in today's knowledge-based economy, and Sacramento's future success depends upon our dedication to better developing workers' skills to match what will be required within the emerging job market while also connecting workers to those jobs efficiently. This requires a shift in both philosophy and practice, including:

- Changing employer hiring practices to emphasize skills over (often outdated) credentials
- Creating better means of matching workers with jobs and upskilling opportunities
- Tailoring education and training to in-demand skills in growing clusters

LEVER 2 STRATEGY

Develop and deploy an inclusive workforce for future work that is aligned with sector opportunities

How We'll Do It: Employer-Led, Inclusive Labor Market System

An integrated, aligned approach to create a next-generation system from two angles:

- 1) Leveraging emerging sector-specific developments such as Aggie Square and the California Mobility Center
- 2) Activating a Corporate Leadership Alliance to form and scale employer-led collaboratives that will drive systems-level change in hiring and training practices



L3: INNOVATION + ENTREPRENEURSHIP

The ability to innovate is the core driver of increasing productivity. Continual innovation, commercialization and business creation is crucial for success in a more competitive, fast-paced, knowledge-based economy.

LEVER 3 STRATEGY

Build a scale-up ecosystem to become the place to be for growing firms in emerging, advanced industries

How We'll Do It: ScaleUp Services + Diversity Management & Ownership Services

Create a sophisticated business and financial services organization that targets support to small- and medium-sized firms seeking rapid growth. The ScaleUp Services organization will identify firms with significant growth potential and provide tailored business development and management services, finance, training, and market connections to support rapid growth.

Concurrently, adapt the scale-up venture fund model to identify and provide specialized support and finance through Diversity Management & Ownership Services tailored to people of color and women entrepreneurs who are managing or interested in acquiring high-growth firms.



L4: INTEGRATED NEIGHBORHOOD AND REGIONAL DEVELOPMENT

The relative location of businesses, suppliers, workers and consumers within a region, as well as the physical and virtual infrastructures that connect them, has a tremendous impact on efficiency and productivity. By co-locating and connecting various infrastructure elements, we can enhance the economic benefits to our region.

LEVER 4 STRATEGY

Target real estate and infrastructure development to improve density and access

How We'll Do It: Master Developer

Establish a mission-driven, market-making, non-profit Master Developer to conceive major industrial development projects, do pre-development business planning and partner with developers to enable more market-making and inclusive development.



L5: A CONNECTED, CROSS-SECTOR ECONOMY

The increasingly dynamic economy places a premium on rich networks, both formal and informal, that enable the exchange of ideas and facilitate relationships, transactions and coordination across the public, private and civic sectors. While government plays a key role in shaping and enabling market activity and providing public goods that enhance productivity and efficiency, the Next Economy requires a broad range of civic, private-sector and cross-sector institutions to establish a business environment that is conducive to growth and fosters open, adaptive and flexible networks.

LEVER 5 STRATEGIES

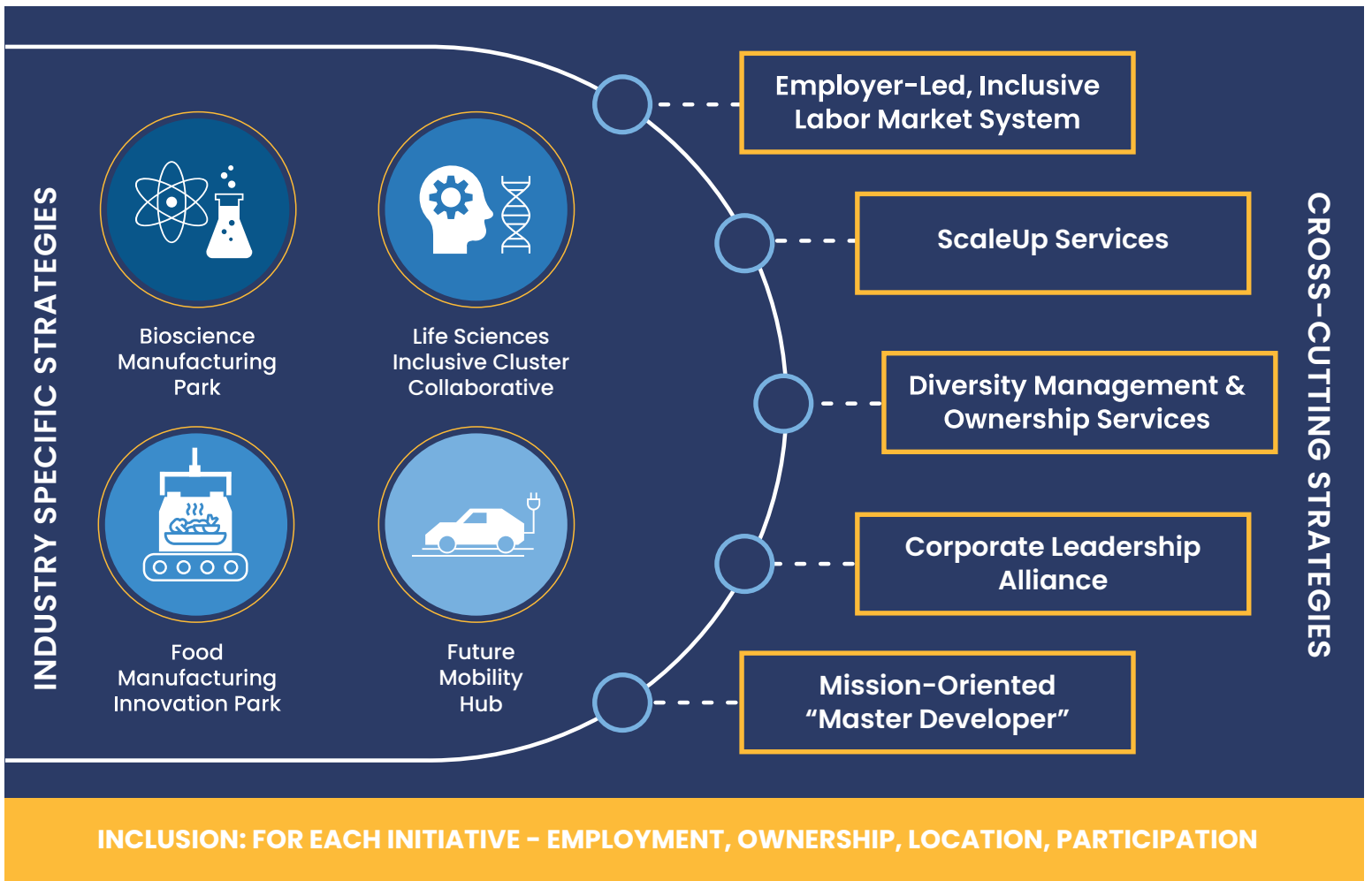
Expand cross-sector engagement and institutional capacity, particularly in the private sector, to conceive, prioritize, coordinate and implement economic growth activities

How We'll Do It: Corporate Leadership Alliance

Establish a major, corporate-led and cross-sector collaborative to drive a wide array of strategies and initiatives for implementing the economic growth Action Agenda.

Re-brand Sacramento as a "right-sized city" for growing Next Economy firms and the people who work in them, while tactically attracting firms to build Sacramento's targeted, emerging high-growth clusters.





WORK UNDERWAY

The city has already undertaken or invested in numerous efforts that support inclusive economic development and are well aligned with the proposed initiatives. Some of those include the following:

- Neighborhood Development Action Team
- Regional Prosperity Strategy
- Workforce investments in Future Mobility (CMC) and Clean Energy
- Climate Commission Recommendation Implementation
- Aggie Square EIFD and Workforce
- Small Business Support: CARES Funding and Economic Gardening
- Inclusive Economic Development Investment Guidelines
- Creative Edge: Arts, Culture and Creative Economy Plan

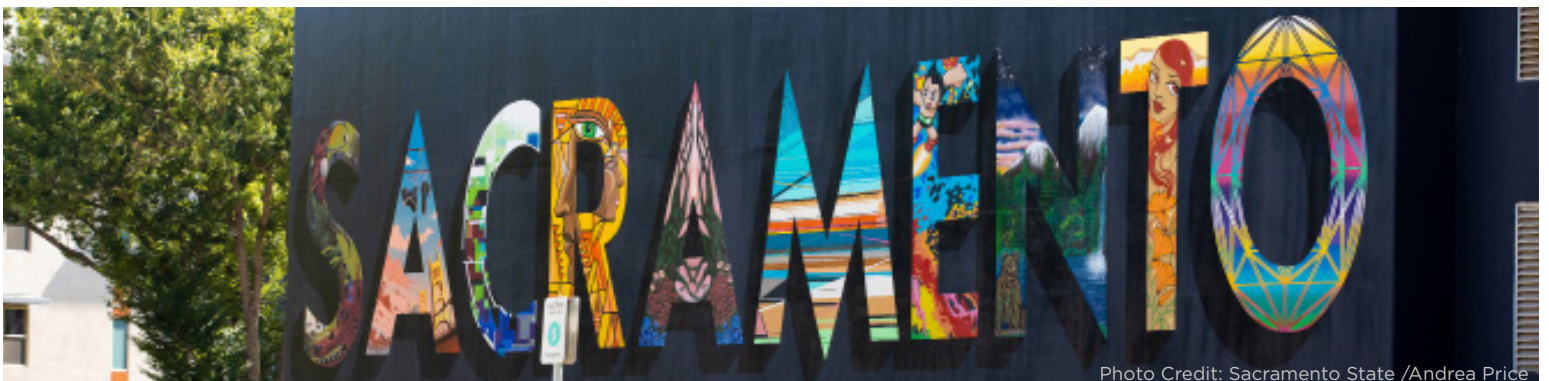


Photo Credit: Sacramento State /Andrea Price

ScaleUP[↑] Sacramento

ScaleUp Sacramento was initiated prior to the COVID-19 pandemic. The pandemic has highlighted many disparities in our community which make it even more evident that it is critical to focus on the city's long term inclusive economic growth. ScaleUp will be brought forward under the premise that it is an economic framework, a living document meant to be regularly updated, that analyzes Sacramento's market and highlights opportunities for inclusive economic growth. Advancing the document is not the end of this process, rather it is the continued path towards achieving an inclusive economy which will require the involvement of the community, partner agencies and institutions, and business community.

