

Remarks of Paul Granillo, President and CEO of the Inland Empire Economic Partnership to the Little Hoover Commission, May 26th, 2022

Good morning members of the Commission, my name is Paul Granillo and I am the President and CEO of the Inland Empire Economic Partnership a cross sector regional leadership organization focused on the economic vitality and quality of life of San Bernardino and Riverside Counties 4.6 million residents 11% of Californian's.

For context, I want to begin my remarks by focusing on the history of efforts in the Regions Up approach.

Work funded in the 1990s by the Irvine Foundation collectively known as the Collaborative Regional Initiatives, the brainchild of Nick Bollman, the sustainable community's program officer at Irvine, the foundation eventually funded 17 regional initiatives in California many of which are still in operation today. Judith Innes did a series of reports on the effectiveness of the initiatives, two of which I have provided the committee. Finally important to note the Speakers Commission on Regionalism report that laid much of the groundwork for how to work effectively at a regional level.

One of the key findings of this early work is that regionalism pays long-term dividends based on the relationships built, institutions built and unexpected collaborations that result.

No study of regional equitable and inclusive economic development would be complete without also mentioning the early work of the California Center for Regional Leadership; also a Becky Morgan and Nick Bollman founded organization that networked all of these initiatives together for peer-to-peer learning and eventually expanded by helping to found new regional champions. This effort was the forerunner of

today's California Stewardship Network created and funded by Becky Morgan and Morgan Family Foundation.

I have been a member of the California Stewardship Network for more than a decade. The Network brings together regional leaders who focus on regional economic development thru the lens of the Triple Bottom Line. Holding in tension the economy, social equity and the environment. I will return to the triple bottom line shortly.

In partnership with California Forward, then led by Jim Meyer, a former Executive Director of this Commission, we worked to create the California Economic Summit. The focus of the Summit was a regions up approach, that calls out that California is comprised of many distinct regional economies, and that the best policy solutions will be those that rise up from the regions, share broad support from among the regions and are then advocated for implementation through the Legislature. Then Lt. Governor Newsom was a major supporter of this approach.

CAFWD/CSN/Summit initiatives that have been funded include the State's Strong Workforce program. last year's 6B+ broadband investment, the \$1B+ investment fundamentally changing how we manage forests and the 600 Million Dollar **California Economic Resilience Fund**.

As a seasoned regions up practitioner, I conclude with three points.

First, plants nor watered will not bear fruit and will eventually die.

The state has long ignored most regional economic development planning in the state and with rare exceptions in the Central Valley, has failed to contribute to the funding or execution of any regional economic development efforts.

This has contributed to the reality that few of these plans have fully achieved their goals. CERF represents the first time the state is stepping

up to invest in both regional planning and the implementation of projects growing from those plans. The regions are planting the seeds. If the state will help water them, the trees may yet bear fruit, but a long term funding commitment is required.

Second, for any of these projects to be successful, **real cross sector collaboration** and a true triple bottom line approach that holds in tension of **the reality of what comprises a regional economy** that holds in tension **the need to create better jobs and social equity for all** and holds in tension **the need to care for our common home the earth**. If any of the three parts of the triple bottom line are excluded, marginalized or vilified, the result will be lots of talk and single-issue solutions that favor political self-interest and have no effect for the better on people's lives.

Third and finally, **this work is hard. Bottoms up economic development requires building trusted relationships across sectors and egotism**. Only when you have done that can you begin the process of building effective regional economic initiatives. Thank you and I look forward to your questions.