



Start with Planning Policy Paper:  
**Planning for Economic Development and Job Growth:  
Focus on Place & Talent Attraction**

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**ABSTRACT**

Even with strong headwinds, Connecticut has a fundamentally sound economic base in sectors ranging from advanced manufacturing to health care to financial services and the arts. The out-migration of a younger workforce and negative perceptions of Connecticut's economy, however, affect our ability to attract and retain young talent along with creative industries. In addition, deferred capital investment in recent years has left Connecticut with an aging infrastructure which, in turn, impacts our competitiveness in the global marketplace.

While job creation and opportunities are always the significant drivers for one to live and do business, CCAPA believes that the quality of place is just as critically important. Therefore, in addition to longstanding recommendations in support of job creation, urban reinvestment, brownfield remediation and sector-based economic strategy, CCAPA believes that a "value of place" strategy will further leverage economic development and support our major companies as they compete globally for top-tier talent. Strategic actions in this space will build on the strong quality of life in Connecticut and connect residents to work in higher-tech, knowledge-focused industries.

**PLANNING CONTEXT**

Connecticut is home to a diverse group of high-performing companies and institutions. This "basic" economy generates the products and ideas that are exported to other states and throughout the world. In order to maintain and grow our competitive advantage, our economic base must be supported through an economic development strategy with focused attention on place-based infrastructure, localization and talent attraction. These are the very foundations from which to grow jobs and restore Connecticut's leadership in innovation, wealth creation and quality of life.

Connecticut ranks #3 in the nation for the percentage of employees with advanced degrees and #6 for the number of employees with a PhD in science and/or engineering. With over \$400 million in NIH grants under contract in the New Haven area alone, Connecticut is a research powerhouse. These factors provide a strong foundation for future growth.<sup>i</sup>



Soft spots in our economic framework and clear weaknesses, however, are also undeniable and will need to be addressed in order to reverse the widening gap between national and state GDP and employment gains. The recent economic diagnostic prepared for the Fairfield County Business Council traced Connecticut's economic performance back to 1980. Since then, the national GDP increased 147% while the Connecticut GDP increased 126%, with the widest gap coming out of the Great Recession. Even more disconcerting, Connecticut's population has grown just 16% since 1980, much slower than the national growth rate of 42%.

The diagnostic further identified four prevailing trends affecting Connecticut's economic position as follows: "Global and national forces are reshaping Connecticut's traditional core sectors; peers are closing the gap on Connecticut's livability and cost advantages; population trends are reshaping Connecticut's workforce; and perceptions are hardening on state governance and fiscal uncertainty."<sup>ii</sup>

Building upon current statewide initiatives and learning from lessons learned elsewhere will inform a future Connecticut strategy. We should closely follow the business trends in New York City and Boston. With a higher cost structure in these two major cities, Connecticut is in a favorable position to capture business spinning outward as we improve the desirability of Connecticut for a highly-mobile and tech-driven workforce.

From a national perspective, there is a trend of investment in medical/university innovation districts. Rochester, MN, home of the Mayo Clinic, is one significant example. A partnership between the Mayo Clinic and government agencies aims to invest \$5 billion in capital improvements that collectively will transform Rochester from a traditional small city in the Midwest into a mixed-use and innovation center. While similar efforts are underway in Connecticut, we need to take a "global step" and create a much larger critical mass of economic activity in central places. New Haven and Hartford, for example, are both home to large concentration of eds and meds and, in this context, the global step includes among other key items, "graduation" space. This would allow businesses more flexible space options to move from a start-up to a mature company, with the ancillary housing and amenities that foster innovation.

Rochester is one of many good examples where even a mid-size community can be a significant driver of economic growth due to close alignment with its major employer(s). In Connecticut, recent project examples of this form of economic leverage include the "town center" development at UConn and Downtown Crossing adjacent to the Yale medical district. Smaller but very meaningful points of leverage would also include the expansion of the Fairfield University bookstore to a second location in the town center in 2011. In the first five years, over 600,000 patrons visited the second location<sup>iii</sup> and, over time, the bookstore will deepen the



relationship between Fairfield’s students, alumni and parents with the town as a whole.

More vibrant locations (both large and small) are created through place-based infrastructure. These communities are emerging as magnets for talent. Common denominators to improve the competitiveness of Connecticut places relate to housing in close proximity to innovative work environments and quality of life amenities. The place must then be stitched together with a high quality infrastructure, taking the form of bike/ped/transit (for transportation) as well as maker/craft innovation space (for economic vibrancy and collaboration) and historic preservation (for cultural attachment). This is one of many reasons why expectations for high-quality design both protect the Connecticut brand and support high quality of place.



## **POLICY DISCUSSION**

In addition to longstanding recommendations in support of urban reinvestment, brownfield remediation and sector-based economic strategy, CCAPA believes a “value of place” strategy will further leverage economic development and support our major companies as they compete globally for top-tier talent. The strategy is organized in three parts, as outlined below:



**Place-Based Infrastructure** – *Invest in “place-based” infrastructure, including investments that enhance design, improve daily function, protect our heritage, and increase amenities within Connecticut’s village centers and urban downtowns.*

The need to dramatically expand investment in transportation and infrastructure is well documented. Connecticut DOT forecasts a \$100 billion in transportation investment, of which nearly 68% would go to system preservation and the balance would support system expansion.<sup>iv</sup> System expansion is vitally important in part because the state is also impacted by a tangle of logistics.

Southern Connecticut air travelers, for example, have multiple options but no clear, effective and consistent choice. Travelers rely on the New York-area airports to reach domestic and international destinations for the best service frequency, but this option is time-consuming and remarkably inconsistent in terms of travel time to and from the airport.

In Litchfield County, small towns are crippled by the lack of broadband infrastructure. Fiber optics and the availability to connect to the internet are just as vitally important for development as are basic utilities such as water, sewer and electricity. In a highly technical advanced economy, Litchfield County will lag behind areas that provide this service not only in its competitiveness, but also as a place to live. Therefore, as Connecticut moves forward with system expansion, it’s important that those improvements be localized where the improvement will be an engine for economic growth, create jobs or enhance quality of life and promote Connecticut’s towns’ and cities as places to live and work.

Taking this point one step further, Connecticut must look beyond basic maintenance and begin to thoughtfully identify infrastructure needs that support redevelopment and attract private investment. Planners are encouraged to look comprehensively at a package of infrastructure improvements that will support broader economic benefit. This package might include façade grants in an older commercial district coupled with streetscape improvements to support a Main Street revitalization initiative. Similarly, a bike lane in and of itself will not benefit urban commuters unless it is part of an integrated network backed up by “smart city” transportation systems. Investing in the “whole” infrastructure will, in turn, unlock the value of place.

**Localization** – *Strengthen brand attachment to highlight Connecticut’s local craft and a quality of place, where creative work leads to success in business.*

Connecticut’s long history of innovation and craftsmanship is a significant competitive advantage and one that plays significantly into a place-based strategy. In 2016, CCAPA published an extensive piece on microbreweries. The number of new breweries (30) is nearly overshadowed by the number of municipalities hosting



a brewery (23) and is indicative of localization and brand attachment at the community scale.<sup>v</sup> The heritage of craft in Connecticut is once again blossoming in keeping with a national trend toward “small batch” production. This is another key space where Connecticut can thrive even with higher costs of business.

In addition, Connecticut’s arts industry generates nearly a billion dollars in economic activity. Connecticut has the ability and opportunity to leverage the arts to build a greater sense of community and to promote Connecticut’s great quality of life.

Further, the messaging in Connecticut is far too negative and damaging in our ability to attract outside investments. Connecticut’s own residents may not always understand the value and global significance of the economic base here in Connecticut. It is critically important that Connecticut take back its own message and develop a more positive and stronger brand attachment. We must focus on the industries that support our economy, promote our tourism and arts industry and create pride in ourselves as a state. By supporting local products and changing the message, Connecticut will be able to build relationships across industries which will foster creative collaborations and expand business growth across the state.

**Talent Workforce Attraction** –*Understand and adapt to the needs of the talent workforce, through community, professional and social networks.*

Connecticut has the 3<sup>rd</sup> highest educated population in America but yet we continue to export our talent to other states. Our younger workforce chooses to relocate out of state for job opportunities as well as attractive areas to live. Instead of focusing on how we will retain this talent, Connecticut has focused its energy on workforce development that has specifically focused on training a more technical driven workforce through the manufacturing industry.

While continuing to focus on workforce development and strengthening opportunities across growing sectors, especially in areas where inequity still exists and where workforce training is critical for one’s advancement, it is also just important that Connecticut begin to truly understand the “workforce” itself. As newer generations enter the workforce, the needs and work ethic have evolved. Businesses themselves can no longer rely solely on training or trying to mold the workforce to their models. The younger talented workforce is looking for involvement, self-worth and opportunities to be creative within the workplace itself. We must develop an attractive employer program where we educate our employers and work with companies to become more attractive to the younger workforce. Studies have shown that the younger generation is just as concerned with the quality of the workplace as they are in the job itself. Providing professional and



social networks and providing amenities such as gyms, trails and flex time will go a long way in incentivizing young talent to want to live and work in Connecticut.

More importantly, whether Connecticut focuses on workforce investment or talent attraction, we must connect residents to work in higher-tech, knowledge-focused industries.

Connecticut's economy is globally significant and the very inspiration for our spirit of innovation. This multi-pronged "value of place" approach that specifically focuses on thoughtfully-placed infrastructure, localization and talent attraction will promote economic development and spur job growth across Connecticut. To further support business growth and, in turn, the economic turnaround of the state, CCAPA members will continue their work in these three areas of focus and strive for meaningful impact in their home communities.

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#### **ABOUT CCAPA AND THE "START WITH PLANNING" INITIATIVE**

CCAPA members are deeply passionate about Connecticut and we play a key role in the development, transportation environmental protection of our common home. At this critical moment in the state's history, CCAPA launched the Start with Planning initiative because we understand the dimensions of Connecticut's challenges and we embrace a way forward built on core values, a pace of work and the "Team Connecticut" approach. With special attention to the interrelatedness of decisions, social equity and the long-range consequences of our current actions, CCAPA members are well-positioned to facilitate these important local and statewide conversations. For more information on this topic, email us at [info@ccapa.org](mailto:info@ccapa.org)

#### **REFERENCES**

<sup>i</sup> A high-performing workforce, favorable climate and geographic location as well as the culture of ingenuity also contribute to Connecticut's longstanding economic success.

<sup>ii</sup> Fairfield County Business Council, Connecticut Economic Competitiveness Diagnostic, 2016. The diagnostic indicated that the dramatic expansion of employment and economic activity in New York City proper, which captured a startling 87% of all job growth in the tri-state region from 2005-2015<sup>ii</sup> is indicative of our challenge.

<sup>iii</sup> Fairfield University, Five-Year Anniversary Press Release (<http://news.fairfield.edu/topstories/topstoryheadline,150699,en.html>), October, 2016.

<sup>iv</sup> Connecticut DOT, Long Range Transportation Plan Draft ([http://www.ct.gov/dot/lib/dot/documents/dpolicy/lrp/2018lrp/draft\\_connecticut\\_statewide\\_long-range\\_transportation\\_plan\\_12-18-17\\_3.pdf](http://www.ct.gov/dot/lib/dot/documents/dpolicy/lrp/2018lrp/draft_connecticut_statewide_long-range_transportation_plan_12-18-17_3.pdf)), December, 2017.

<sup>v</sup> Crafting Regulations for Connecticut's Burgeoning Brewing Industry, Patrick Gallagher, *Connecticut Planning*, Spring 2016.