



Monterey Bay
ECONOMIC PARTNERSHIP

2018/19
Strategic Plan

January 1, 2018

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Executive Summary

Background

The Monterey Bay Economic Partnership (MBEP) is a regional nonprofit, membership organization consisting of public, private and civic entities located throughout the counties of Monterey, Santa Cruz and San Benito. MBEP was conceived out of a realization that our communities share similar industries, challenges and opportunities for learning, sharing and doing. Before MBEP there was no regional level organizational leadership to catalyze strategies and action plans for regional economic prosperity in the Monterey Bay area. MBEP provides regional solutions for regional needs.

Over the past two years since our first Board of Directors meeting, our board has grown to 20 members including leaders of industry, educational institutions, nonprofits and cities who are engaged in the fulfillment of our mission and stand ready to make a difference. In the same time period we have grown our membership to 80, achieving regional, sector, and industry diversity as we grow. We are primarily funded through annual membership fees which are based on the member organization's size.¹

At MBEP the three elements of our tagline capture the essence of what we do. A few representative examples:

LEAD: *Convene people to find solutions*

Regional Economic Summits and State of the Region Conferences: 300+ leaders from all sectors and all three counties attend to learn from expert speakers and interactive panel sessions that spark discussions about regional issues, connect people who will take action, and create momentum towards the transformation of our region. MBEP represents the region at the state level through the California Stewardship Network, a statewide alliance of 15 diverse regional organizations committed to economic, environmental and social well-being of our regions and state. As a result, we are able to present our members with other regional solutions to critical issues. We also convene quarterly initiative-focused meetings and Regional Policy Leadership meetings.

IMPACT: *Catalyze new regional resources*

MBEP played a key role in bringing Opportunity Fund to the region, who has now provided over 100 micro loans valued at over \$2M to small businesses. We also created the Monterey Bay Housing Trust, an \$11M loan pool to create more affordable housing in the region. We've also been working closely with the Central Coast Broadband Coalition, cities and counties to bring ubiquitous broadband to the region, including spearheading the development and dissemination of the Monterey Bay Region Dig Once specification for Public Works Departments.

¹ For cities and counties with a population over 50,000 and for organizations with 500 or more full-time employees the annual fee is \$10,000. For all other organizations, the annual fee is \$5,000.

THRIVE: *Share best practices across the region*

We joined forces with Bright Futures, a cradle-to-career effort that is leading systemic change in education and career outcomes in Monterey County. We've invested in this work in order to leverage and spread this effort throughout the rest of the region, especially as it relates to improved career readiness and improved pipeline to career pathways. We also helped create the Monterey Bay Internships website and have helped expand it beyond Santa Cruz into all three counties so that students and employers throughout the region can be connected to powerful internship opportunities. The website went live in February 2016, and now has over 2,500 registered users, over 400 internships posted, and has filled over 120 positions. In housing we are working to expand awareness and best practices around employer-sponsored housing, encouraging these projects as one piece of the solution to our housing problems.

Setting the Course

MBEP's first Strategic Plan was conceived in the spring of 2016, written over the summer and fall, reviewed by the Board Directors in October, and approved by the board in January 2017. This is the second iteration, updated in the fall of 2017 and covering FY2018/19 (January 2018 through December 2019) using the previous two years as a baseline. The key strategic questions it seeks to answer are:

1. Where is MBEP going?
2. How will we know when we've gotten there?
3. What core values will guide us in making the right choices to get to that destination?
4. How do we decide on priorities and initiatives?

Values

We have reflected and debated our core values through this planning process. As a result, we have a clearer focus on what is important, and what our "compass" is to guide future decisions.

Goals

This document will enable the organization to focus on the right targets – to put the right resources behind the key areas in which we need to invest in order to achieve our mission and our goals. By prioritizing our efforts we are by default also choosing what we will NOT focus on ... at least during the term of this Strategic Plan.

How will we know success is achieved? First, we will have achieved the goals identified in the Goals section, and secondly, we will meet or exceed specific Key Performance Indicators (KPIs) that we set each quarter that are aligned with our Goals and our Strategies. A more qualitative measurement is less specific but equally important. As MBEP Board member and Executive Director of the Santa Cruz Museum of Art and History, Nina Simon, says, "One measurable proxy for success is broader value and meaning to the community ... via favorable press, awards, commendations from community leaders, invitations to join boards, solicitations for

endorsement – [all] connoting a broader representation of value (to the community)².” At MBEP we strive for this broader community endorsement and employ our marketing expertise to achieve these less tangible metrics of success.

Inputs to Strategic Plan

We’ve sought the input of our Board of Directors and other key stakeholders in the community, staff and our members through one-on-one discussions, and a survey process that will become an annual exercise. We’ve summarized our Strengths, Weaknesses, Opportunities and Threats (SWOTs), and we’ve taken a closer look at ourselves and our principles to clearly define what drives us as an organization. All these inputs have informed this plan and will guide our actions going forward.

The following are the four Strategies we will pursue to fulfill our Mission:

Strategy #1: Catalyze Change Through Focused Initiatives

We’ve identified the progress made on our existing initiatives and our future direction in the areas of Workforce Development, Building a Tech Ecosystem and Housing. We’ve also more clearly defined a process by which we will determine new initiatives going forward, and have suggested investing in Infrastructure as a future initiative area. As of fall 2017 we have decided to add a Transportation initiative and are investigating the options for how MBEP will be involved.

Strategy #2: Use Data to Create Consensus and Inform Action

Using data to drive change is important because making informed decisions, tracking trends and evaluating impact will help us better understand in a measurable way how we have “moved the needle.” In the fall of 2016 MBEP created its first Regional Dashboard to provide measurement of key indicators in the context of our regional well-being. In 2017 this platform was improved and expanded through our partnership with Looker, and is the “go-to data source” for the region. Looking forward we will continue to seek new ways to keep the depth and breadth of data current, relevant and consumable.

Strategy #3: Convene Local Leaders to Drive Progress on Critical Issues

Once we have data, we use our convening power to drive change. Twice a year MBEP brings together over 300 regional leaders from education, business, government and the nonprofit sectors to examine our regional economy and strategize about ways to foster more living wage jobs and sustainable economic development. At our State of the Region event each fall, we examine foundational issues from health care, housing, and workforce development to the economy, public safety infrastructure and the environment – delving into what defines and creates well-being in our region. The data from our Regional Dashboard is at the core of these discussions, helping us understand the state of our region, and how we are moving the needle in important areas that affect our well-being. In the spring our Regional Economic Summit focuses on issues important to the economic vitality of the region.

² Source: *The Art of Relevance* by Nina Simon, pg 170

In addition to these large bi-annual gatherings, we use our regional convener role to spread best practices across the region and catalyze new initiatives. Around each of our initiatives, we bring members and stakeholders together quarterly to agree on important issues that move the region forward. In 2017 we started convening our members and the broader community around topical discussions, aka “salons”, to educate and inform on relevant and important regional issues, such as Affordable Housing and Transportation. And lastly, in 2017 we brought together elected officials, City Managers and County Chief Administrative Officers from across the region to identify common policy issues and engender a regional political focus that seeks creative solutions to the region’s issues.

Strategy #4: Activate the Power of Our Member Network

How will we engage members to ensure sustainability of the organization as a platform for their voices? Activating our member network is important to ensure the relevance and sustainability of the organization as a platform for driving positive change in the region. We believe in the power of our member network, which currently includes 80 organizations: leaders of industry, local government and our robust nonprofit sector, and represents 1 of every 10 jobs in the region. According to our 2017 member survey, 66% of respondents cited supporting MBEP’s regional initiatives as one of the primary benefits of membership. Our member network is capable and motivated to participate in efforts to drive regional change. We help our members who have not traditionally seen themselves as a regional actor, break through silos and come to realize they are indeed part of a bigger picture ... and part of the regional solution.

As our member base exceeds 80, our focus turns to how best to leverage the knowledge and wisdom of our network. In 2017 we focused on a shift from member acquisition to retention and activation. For this reason, it is imperative that we ensure relevance to our member network by building connections within our network base and focusing on tangible and intangible benefits of membership.

Marketing, Operations and Finance

In 2016 and 2017, much time and effort went into increasing the operational efficiency of the organization: ensuring the right processes are in place to run the organization efficiently, hiring staff (as of this writing we have 4 FTEs, 2 part-time employees, and 1 consultant), refining our branding and messaging, expanding marketing activities, and investing in tools to improve efficiency. With much of the “engine” in place now, operationally we have a strong foundation on which to build and grow. We anticipate growing our membership and adding additional grant revenue streams, with expected revenue for 2018 of \$845,000 (increased from \$748,444 in 2017).³ This level of revenue will allow us to take on additional initiative work (e.g. adding staff and program resources) while still maintaining expenses (estimated at \$844,819 for 2018).

Summary

We acknowledge that the issues that influence our quality of life require a shared vision and coordinated regional action to make a difference. This is not easy work. It takes perseverance, thick skin, a big vision, and a “compass” guided by our values. We strive to be valued by all

³ Revenues do not include funding for the Monterey Bay Housing Trust.

sectors as the go-to organization for problem solving. We are passionate about our community, and honored to pursue this work—to be change agents that are affecting positive impact.

Vision, Mission and Values

Vision

A thriving region for all residents.

Mission

To improve the economic health and quality of life in the region.

At MBEP the above Vision and Mission Statements serve as our “North Star” that reminds us why we exist and keeps everyone clear on the direction of the organization. We also have identified the important values that drive our work. MBEP is committed to improving the well-being of our region. Above all else we value:



Goals

There will be new projects and activities that we embark on during the period covered by this Strategic Plan that will be aligned with our Vision, Mission and Values, but for which we are unable to set specific goals. For the initiatives and programs we are currently working on or are anticipating in the near future, we have set “SMART” goals (Specific, Measurable, Achievable, Relevant and Time bound) to track progress and to ensure accountability.

For the time period of the Strategic Plan, FY 2018/19, our goals are:

- **LEAD:** Convene people to find solutions
 - Achieve attendance of 300+ at every Regional Economic Summit and State of the Region with an average NPS rating of 4.4 or higher
 - Organize and lead quarterly meetings around focused initiatives, with measurable outcomes for each initiative
 - Organize 2 “salons” annually around specific issues
 - Convene Regional Policy Forum once per year
- **IMPACT:** Catalyze and expand regional resources
 - MBI: attain 600 cumulative internship postings, place 200 interns
 - Career Coach: 2,000+ visits
 - Housing: enable 3 affordable housing loans through MBHT
 - Execute multiple “campaigns” through MBEP Action Center with a minimum of 500 users
 - Goals will be defined as our new Transportation initiative takes shape
- **THRIVE:** Share best practices across the region
 - Update Regional Dashboard annually each fall
 - Share best practices in order to enable 3 additional high quality employer-sponsored housing projects
 - Disseminate broadband “dig once” policy to all City Managers and Public Works Directors throughout region
 - Share best practices on municipal broadband connectivity to capitalize on the completion of Sunesys’ middle mile fiber (UC Santa Cruz to Soledad, completed March 2017)
 - Disseminate best practices around regional approaches to education and career development (Bright Futures), transportation, etc.
- **Operational**
 - Attain 100+ total members
 - Achieve 90% member renewal rate
 - Gain \$60K in grant funding (annually)
 - Align all data pages on website to Regional Dashboard categories
 - Conduct annual member survey each summer and use it to inform refinements to plan
 - Expand staff to 6 FTEs to support execution of above

Governance

Good governance is a necessary ingredient in any successful organization. At MBEP we have bylaws that offer clear guidance on roles and responsibilities, and board composition. As a further investment in the organization's governance in 2018/19 we will be investigating additional ways to ensure appropriate risk oversight and overall board effectiveness.

Bylaws

Board Composition: The board is made up of 5 – 22 elected board members. As of December 2017 20 members serve on the board, in 3 cohorts whose terms will expire in April of 2018, 2019 and 2020 respectively. There shall be a limit of two consecutive three-year terms served by any member of the board of directors.

Executive Committee: The Executive Committee acts for the entire board in situations where it is untimely or unwieldy to convene the entire board. A subset of six board members (2 Co-Chairs, Secretary, Treasurer and 2 others) make up the current Executive Committee which will continue to be convened from time to time as necessary.

Policies

Conflict of Interest: Each year board members complete an updated Conflict of Interest Questionnaire.

Public Policy Endorsement Process: The board has approved a detailed policy recommendation process that adheres to the federally mandated tax rules as it pertains to 501(c)3 organizations taking positions on issues.

Risk Management: In 2017 the organization completed a full review of insurance coverages, and brought all policies up to date. In addition, we instituted policies that are required for compliance with IRS regulations. We also completed a comprehensive compliance review with an attorney who specializes in nonprofit employment issues. As of September 2017 MBEP is in full compliance with the guidelines established by the EDD, California Department of Labor, and other entities. One component of the risk management process included converting interns from contractor status to part-time employees to comply with labor law classifications. Other risk management activities will occur on an as needed basis.

Looking Ahead

Board Engagement and Effectiveness: MBEP held its first board retreat in October 2017, the goal of which was to revisit and update this Strategic Plan, allow board members to assess their role, both individually and as a board, and encourage social interaction and networking among board members.

Output from the board retreat included the following discussion points:

Overall MBEP Performance

Board members agreed that:

- MBEP is on track with its initiatives
- There are no emerging issues in the region that aren't currently being addressed
- Transportation was the right choice as a new initiative

Building Brand Awareness

Board members offered the following suggestions for strengthening the MBEP brand:

- Continue to build the brand around our regional identity (similar to Silicon Valley) in 2018 (may include rebranding of regional elements such as Highway 1 renamed as the Monterey Bay Highway)
- Create an awareness of efforts that are "Fueled by MBEP" (i.e. "Intel Inside")
- Include a signature event (i.e. the "Turkey Trot" sponsored by Silicon Valley Leadership group) that is part of this strategy in 2019
- Build the awareness of all members being part of regional solutions : "We did this together", instead of "MBEP did this."

Recruiting New Members

When asked how to attract 15 new businesses as MBEP members board members recommendations included:

- Refine and redefine our value proposition as an organization in 2018 (ties into building regional identity above)
- Create a comprehensive marketing plan with a member activation strategy as part of our updated strategic plan

Board Composition

When asked about building the pipeline for future leadership and board service board members suggested the following:

- Invite MBEP (non-board) members to participate in board meetings in April or July
- Invite CAOs to become board members
- Use Silicon Valley Leadership Group as a case study to see how they interact with their board
- Include retreat agenda as part of October 2018 board meeting rather than scheduling an all-day retreat

Strategies

Using the inputs identified earlier in this document, we've chosen the following four overarching Strategies to fulfill our Mission: (1) Catalyzing Change Through Focused Initiatives, (2) Using Data to Create Consensus and Inform Action, (3) Convening Local Leaders to Drive Progress on Critical Issues, and (4) Activating our Member Network.

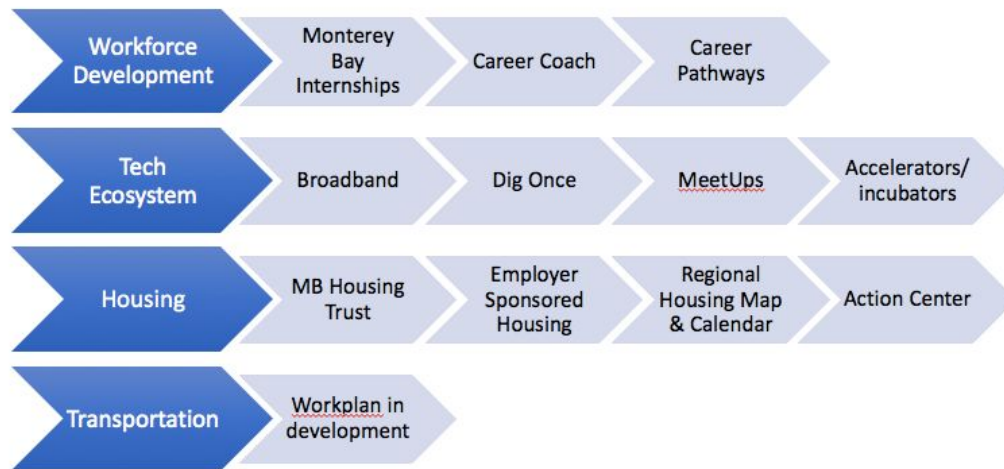
1. Catalyze Change Through Focused Initiatives

MBEP's approach is to establish and implement initiatives aligned with our strategy of catalyzing change. In April 2015, at MBEP's first Board of Directors meeting, two initiatives were

chosen among a selection of white papers that had been researched. They were: Workforce Development and Building a Tech Ecosystem. In April of 2016 one additional initiative, Housing, was chosen after a four-month research process. In fall of 2017 a Transportation initiative was added. Looking forward to FY18, the questions that the organization now faces, and that will be answered in this section are:

- 1) Based on what has been accomplished thus far, where is each initiative headed in the timeframe of this plan?
- 2) What is the lifecycle of our current initiatives?
- 3) What is the criteria for adding new initiatives?
- 4) What might some new initiatives be?

MBEP Initiatives



Initiative #1: Workforce Development

Focusing on Workforce Development is important because: A strong workforce is a vital part of a sustainable and prosperous economy.

High unemployment levels, a lack of trained, ready-to-work population, and a growing skills gap are just a few of the challenges that hinder economic development throughout the Monterey Bay Region. MBEP’s Workforce Development Initiative seeks to create positive change through collaborative approaches that bring new resources to the region, enhance placement of our local workforce, amplify the impact of best practices, assist with start-ups and expanding companies, and help better align education with job sectors.

Monterey Bay Internships

A part of our Workforce Development initiative, the Monterey Bay Internships website (www.mbinterns.org) is a resource for both employers and students that consolidates

internship opportunities from businesses throughout the Monterey Bay Region. Students from all educational institutions in Santa Cruz, San Benito, and Monterey counties can access the listings, post their profiles and apply to internship positions of their choice.

The goals of Monterey Bay Internships are to increase work experience for students, ease the transition from higher education to the workforce, and allow employers to easily connect with the talent in the Monterey Bay Region. Launched in the spring of 2016, it now has over 2,500 registered users, over 400 posted internships, and has over 120 filled internship positions.

MBEP and the leadership team from the consortium are constantly exploring new methods of engaging both students and employers to maximize reach of the Monterey Bay Internships site. The team is also updating the site with feature enhancements that improve the user experience and may create new revenue streams. Looking forward to 2018, MBEP along with our consortium partners (Cabrillo College, UC Santa Cruz, Santa Cruz County Business Council, California State Monterey Bay, and the Community Foundations of Monterey and Santa Cruz Counties) will continue to expand the reach of this tool, adding additional educational institutions and new employers, increasing student and employment outreach, and adding enhancements to the site itself to ensure ease of use. The leadership team is also connecting with entities in other geographies to determine whether they can replicate this internship model to benefit other communities.

Career Coach

In 2017 MBEP along with our partner, Bright Futures Education Partnership (Bright Futures), launched Monterey Bay Career Coach. This is a web-based tool helps students find promising careers with local employers. With this resource, students are able to choose appropriate educational options aligned to promising careers, counselors are able to use a simple website to efficiently support student program and career planning, and faculty can easily align curricula, certificates and degrees with up-to-date employer needs. Providing shared information and insights around regional employment needs, Career Coach provides a better understanding of our local workforce, economy and occupational trends with rich job posting analytics. This unique employment resource will inform and guide local students, and increase access to living-wage jobs.

Specific outcomes that are being sought with this program include:

- 80% participation of postsecondary institutions
- 80% of high schools will participate in Career Coach launch events and add links on school computers to website
- 10,000 site visits by end of 2018

Career Pathways

MBEP and Bright Futures have also teamed up to support existing career pathways and to foster tri-county strategic advancement of future career pathway design. With support from

the Lumina Foundation, in the fall of 2016 we engaged CAEL, a national leader in career pathways development with the goal of defining the following:

ARCHITECTURE: Define a Monterey Bay regional “pathway architecture” including definitions and guiding principles for pathways elements unique to Monterey Bay’s target industries and populations, considering existing and projected openings.

INVENTORY PATHWAYS: Inventory and categorize Monterey Bay’s current pathways and initiatives, including middle skill pathways, to identify synergies, develop shared goals and strategies, and prioritize gaps to close as we unify and align efforts according to a regional pathways plan.

BEST PRACTICES: Identify pathway models from other regions that offer best practices and address challenges and populations similar to those in Monterey Bay.

CROSS-SECTOR MAPPING: Identify cross-sector pathway opportunities related to competencies in common, across multiple industries, identifying lateral pathways between sectors.

INVENTORY SUPPORTS: Map existing support services pertaining to pathways.

With increasing income inequality, and many residents struggling to make ends meet in low-wage jobs, industries all over the region still can’t find the skilled workers they need. Our goal is to create additional web-based tools that enable better connections to improve the workforce pipeline and close the looming skills gap through better alignment between unemployed and underemployed residents and employer needs, especially as it relates to the food processing, agriculture and AgTech industries. The benefits of this effort are three-fold: (1) incumbent workers will increase their in-demand skills and promotion potential; (2) employers will have improved access to a higher skilled and local workforce; and (3) the community will have increased stability for residents, thus improving the living wage of workers so future generations will also benefit.

Looking Ahead

As our work in workforce development evolves, we will continue to unearth areas of future investment and growth aligned to our current goals.

Initiative #2: Building a Tech Ecosystem

Focusing on Building a Tech Ecosystem is important because: Innovation and technology are part of our region’s ethos, given our proximity to Silicon Valley, and because investing in these areas will improve all sectors of our economy from health care and government to tourism and agriculture, uplift our workforce capabilities and competitiveness, advance our ability to feed the world and create a safe and nutritious food supply.

Throughout the country more and more regions are relying on the technology sector to spur growth. At MBEP, we are engaged in a number of strategic efforts that support the growth of a tech industry throughout the Monterey Bay.

The journalist Brady Dale identified a short list of attributes that are critical components to the sustainability of any regional tech ecosystem. Until these elements are in place, a region is

unlikely to see the creation of a vibrant tech scene. According to Dale, here is what a region needs:

- Successful companies
- Access to capital
- Educational institutions
- Co-working / accelerator / maker spaces
- Tech reporters
- Lots of engineers
- Really fast internet
- Informal leaders

With a clear focus on these factors, MBEP's Tech Ecosystem initiative is supporting the growth of a sustainable tech scene in the Monterey Bay Region. Furthermore, MBEP is collaborating with local leaders to support the growth of the AgTech industry.

The Importance of AgTech

The Monterey Bay Region is home to the Pajaro and Salinas valleys, which are widely recognized for their leadership in the growth of fresh vegetables, lettuce and berries. While technology has always played an important role in the development of agriculture, today a new set of global challenges are shaping the future of the industry. Technology is critical to the future of the AgTech industry. From issues such as increased labor costs and food waste, to climate change and food security, the convergence of agriculture and technology are critical to finding solutions for our future. The Monterey Bay Region is strategically located near Silicon Valley, and now has an opportunity to combine the strength of both regions. MBEP is focused on working with all of our members and partners to encourage the growth of AgTech.

Looking Ahead

Future efforts to build a Tech Ecosystem include:

- Building off the Sunesys backbone for broadband and continuing to be an activist for low prices/high speeds/coverage
- Socializing importance of "dig once" policies and practices with Planning Departments
- Continuing to support the convening of decision makers, entrepreneurs, educational institutions and MBEP members through Tech and AgTech Meetups and other meetings
- Supporting the THRIVE Accelerator program and the AgTech Summit in Salinas
- Continuing to support Digital NEST with their expansion to Salinas
- Developing a business model and identifying potential providers of free WiFi in all downtown locations in the region
- Facilitating the deployment of low power field-based WiFi

Initiative #3: Housing

"MBEP has done much in four short months to move from conversation to action in concrete ways that will help solve the housing problem in the region."

– Linda Mandolini,
President, Eden Housing

Focusing on Housing is important because: Safe and affordable housing is essential for a robust quality of life for all of our residents.

At MBEP we believe that a robust quality of life is important for all of our residents. One important step to achieve our mission is ensuring the availability of safe and affordable housing. To this end, in the summer of 2016, MBEP launched a housing initiative to support an increase in the supply of all housing in the Monterey Bay Region. Our initiative starts with a broad, regional coalition of individuals and organizations to advocate for the construction of all types of housing. Leveraging an existing successful model, we joined forces with Housing Trust Silicon Valley to create the Monterey Bay Housing Trust (MBHT), a \$10,000,000 housing trust fund that will assist with financing affordable rental and ownership projects that require flexible and unique lending models. We went one step further to showcase and promote regional creativity by providing unique and inspiring examples of employer sponsored housing.

As of the end of 2017 we have accomplished the following:

- Launched the Monterey Bay Housing Trust
- Exceeded our fundraising goal for the Monterey Bay Housing Trust, bringing total resources available for land acquisition and pre-development loans to \$11.25 million
- Gained commitments for three affordable housing projects in Castroville and Santa Cruz
- Published an Advocacy Calendar and Regional Housing Map to the MBEP website
- Launched the MBEP Action Center and created 7 campaigns

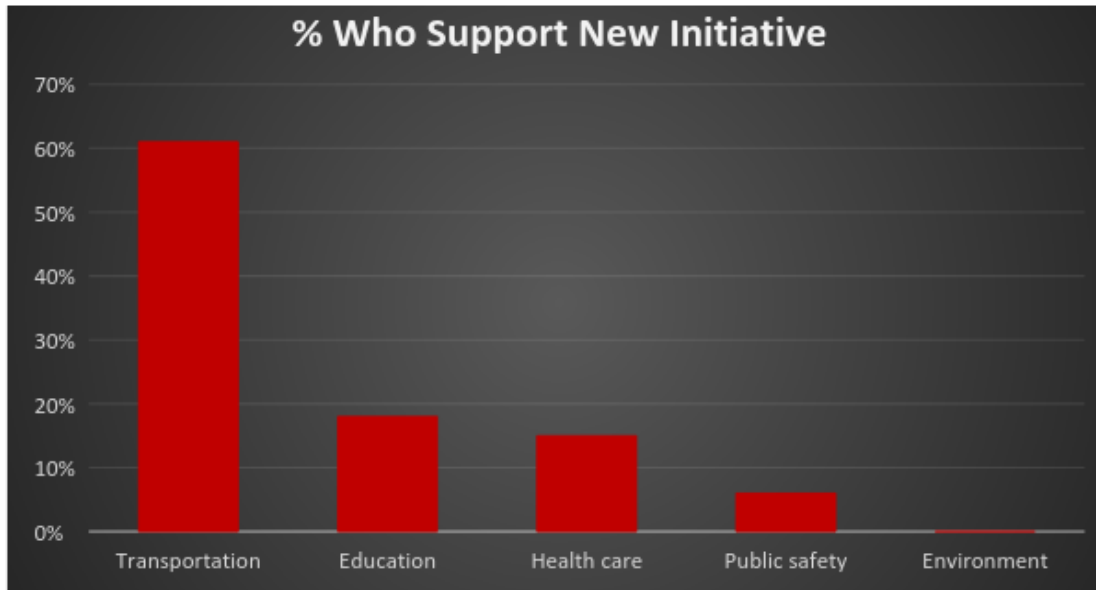
Looking Ahead

Below are our plans for 2018 to build on and expand on these efforts:

- Build MBHT pipeline and begin financing new affordable housing projects
- Continue to influence our membership and communities to support housing projects in the region
- Build advocacy database to 500 members and deploy 4 more campaigns
- Expand employer sponsored housing examples (playbooks, best practice examples from the region and beyond) and directly aid and support 3 projects in the region

Initiative #4: Transportation

Focusing on Transportation is important because: Our current state of transportation infrastructure is woefully in need of improvements, and leadership at the regional level is necessary to increase transportation options. Focusing on infrastructure may be the best way forward to align with the new administration while laying the groundwork for important improvements to the region's infrastructure.



Based on input received from our member survey⁴ and from other key stakeholders, one initiative rose to the top: transportation. Anyone who spends anytime in their car knows that traffic can be very disruptive and affect our quality of life in the Monterey Bay Region. We have too many cars on our roads and not enough viable, alternative options. To help us better understand the issue, MBEP is committed to sharing data that will help us make informed decisions, and understand the compromises and trade-offs that are necessary when investing in infrastructure projects of this scale.

On the November 2016 ballot two tax measures were approved by voters – one in Santa Cruz County and the other in Monterey County – that will provide much needed funding for road maintenance and regional projects, improve safety on local roads and highways, repair potholes, maintain streets and roads, reduce traffic congestion, improve transportation for seniors, young people, and people with disabilities, and make walking and biking safe.

MBEP has been asked to provide support and get more and more involved in transportation issues. As this is one of the eight categories in our Regional Dashboard, it is a logical future MBEP initiative.

Examples of tactics that could be part of an overall MBEP Transportation Initiative and worthy of further exploration are:

- Creating an “MBEP Mobility Platform” focused on engaging members to advocate for increased remote working, ride sharing, flex hours, video conferencing, on-site daycare and other services, etc. to ease traffic congestion

⁴ 2016 MBEP Member Survey Q31: MBEP’s current initiatives include Building a Tech Ecosystem, Workforce Development and Housing. If MBEP were to consider adding additional initiatives beyond our current ones, what would you consider the biggest priority? (pick only one)

- Expanding Enhanced Infrastructure Financial Districts (EIFDs) in the region to assist municipalities in dealing with looming future unfunded infrastructure costs
- Partnering more closely with alternative energy efforts such as Monterey Bay Community Power
- Advocating for policy changes such as tax incentives for employers to invest in infrastructure necessary for employee housing

As of this writing, we are in the midst of convening experts to define need and research how and where MBEP could add value with the goal of creating a MBEP Transportation Workplan.

Adding New Initiatives

As MBEP grows and matures, there will naturally be new initiatives that will come on our radar, or that we are asked to lead. At MBEP we always seek to embark on new projects or initiatives with an exit strategy in mind. Our strength comes from our nimbleness and our flexibility to react and engage in the most effective way possible. We pollinate with our thought leadership and data-based analysis, engage the right players, catalyze solutions, ensure measurable and sustainable outcomes, then move on.

Given this, the criteria and inputs we use to decide the initiatives to spend our time and resources on must be clear, and help clearly determine where we could add the most value. Below is our method of determining whether to take on a new initiative:

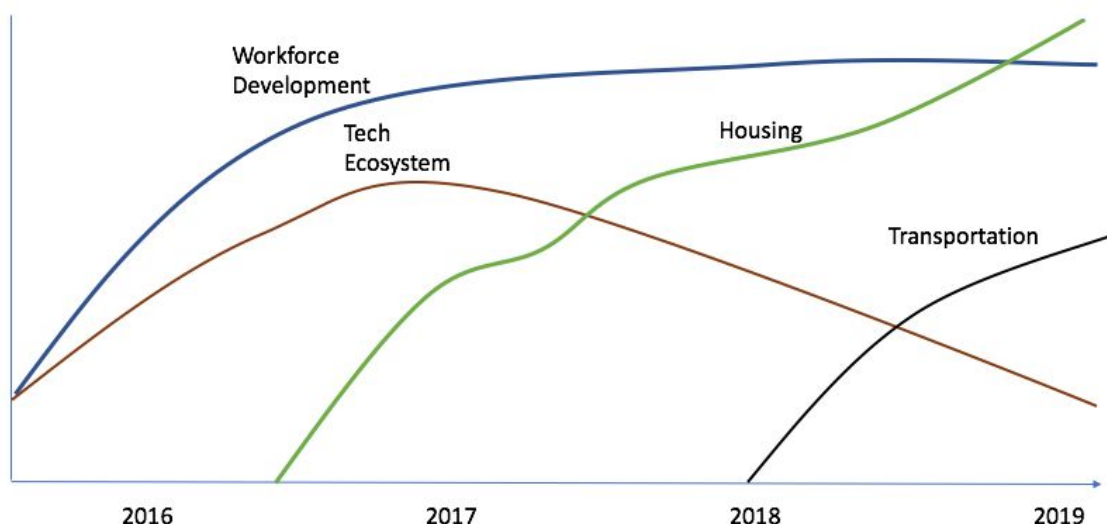
Inputs

1. The framework of our new Regional Dashboard (8 categories identified as the key components of regional well-being) will guide our future initiative investment.
2. Information gathered from our members through 1:1 meetings, board meetings and surveys will be used to inform our initiative work.
3. We will need to thoughtfully consider staff input when it comes to the trigger points for adding new initiatives, in order to ensure organizational capacity and expertise (additional headcount, etc.).
4. Finally, we will need to consider the most likely exit strategy and timeframe for exit.

Initiative Roadmap and Lifecycle

It is important to acknowledge that each initiative has its own lifecycle, with growth, maturity and decline phases that are unique to the effort and the environment in which they exist. There will be external factors and players that will influence how long MBEP leads a particular initiative that may be beyond our control. As stated above, we need to balance the resources and invest wisely so as not to spread the organization too thin.

MBEP Initiative Lifecycle



2. Use Data to Create Consensus and Inform Action

Using data to create consensus and inform action is important because: Making informed decisions, tracking trends and evaluating impact will help us better understand in a measurable way how we have “moved the needle.”

The “Go-To” Resource for Accurate Regional Data

How do we inform our decisions? How do we provide valuable information to our members and the broader community about what’s happening in the region? How do we put a spotlight on issues that affect our region and assess progress? How do we know if the “needle has moved” in important areas that contribute to the well-being of our region?

MBEP was conceived with the intent to be the “go-to” resource for regional data. We acknowledge that data and analytics remain at the core of what MBEP is about, but realized there was more we could be doing in this area to align, visualize and communicate our data in a way that is more digestible and action-oriented.

The organization set out in 2015 to build a data platform to make informed decisions about community policies. This is a fine goal, but we must ensure that we are providing value to our constituents with our data analytics and visualization, and the salient information that tracks trends and will drive action. We have the opportunity to improve our data presentation – its visualization and ease-of-use – and ensure alignment with community priorities. Extending our impact in this area will lead to improving our region in measurable ways.

Regional Dashboard to Track Regional Well-Being

In the fall of 2016 MBEP created the first Regional Dashboard that included key indicators measured in the context of our regional well-being. This was a new platform used to communicate the progress against key metrics that align with MBEP's Mission. We are tracking these indicators annually, creating a longitudinal perspective of our region. This new platform was a key topic at our annual State of the Region conference, and was unveiled at this event on December 1, 2016.

The Dashboard gives us a common language and actionable information that helps us understand the impact of our collective efforts. Data will be collected and tracked in the following categories:

- Education
- Economic Vitality
- Housing
- Health
- Infrastructure
- Transportation
- Public Safety
- Natural Environment

We have reviewed the existing available information in these areas and have created what we believe to be seminal data points that will create an actionable, regional index to provide an annual evaluation on progress that has been made in these areas. MBEP is partnering with key players in each category to shape the indicators and collaborate on strategies for improving the indicators over time, ultimately leading to increased well-being of all residents in the tri-county area.

In 2017 we partnered with Looker Data Sciences to make improvements to the data platform. We will continue to update the Dashboard with new information to track trends in each of the above categories.

3. Convene Local Leaders to Drive Progress on Critical Issues

Convening local leaders is important because: Once we have data and can all “speak the same language” it’s imperative that we all work together across the region and across sectors in order to achieve our mutual goals.

Annual Conferences

Twice a year MBEP brings together over 300+ regional leaders from education, business, government and the non-profit sectors to examine our regional economy and strategize about ways to foster more living wage jobs and sustainable economic development. At our State of the Region event each fall, we examine foundational issues from health care, housing, and workforce development to the economy, public safety infrastructure and the environment – delving into what defines and creates well-being in our region. The 2017 State of the Region had the largest attendance of any of the previous events, with over

400 leaders from business, government, nonprofits as well as a number of students who participated in the dialogue about key issues. The data from our Regional Dashboard is at the core of these discussions, helping us understand the state of our region, and how we are making progress in important areas that affect our well-being. At these gatherings connections are made, relationships are built, new projects are explored, and silos are broken down.

Quarterly Initiative Committee Meetings

In addition to these large bi-annual gatherings, we use our regional convener role to communicate best practices across the region and catalyze new initiatives. Around each of our initiatives we organize all stakeholders and bring people together to agree on important issues that move the region forward. Each initiative requires gathering leaders from all sectors across the region on a quarterly basis to tackle the issues at hand and take an active role in solution implementation.

Other Convening Opportunities

Members have also expressed an interest in having opportunities to meet and partner with other members on regional issues that are important to them. Our ability to mobilize and bring together a variety of constituents positions us as the appropriate resource to leverage the expertise of our member base to make a greater – and more rapid – impact in the region. We will continue to host occasional “Member Mixers” to encourage these connections and synergies.

We will also continue to convene our members and the broader community around topical discussions, aka “Salons”, to educate and inform on relevant and important regional issues. And lastly, based on feedback from our first Policy Forum in August 2017, we will continue to bring together political leaders from across the region to identify common policy issues and engender a regional political focus that seeks creative solutions to the region’s issues.

4. Activate the Power of Our Member Network

Activating our member network is important because: We want to ensure the relevance and sustainability of the organization as a platform for driving positive change in the region.

How will we engage and activate members to ensure sustainability of the organization as a platform for their voices? As our member base exceeds 80, our focus turns to how best to leverage the knowledge and wisdom of our member network. Sharing members’ expertise, ideas and best practices across the network is a natural offshoot of our convening power.

"Thank you for putting on such an incredible event. I left buzzing with ideas for how our museum can be a more effective partner in tackling the big issues facing our region. I also realized that being part of MBEP has changed my perspective on our community. I used to think of myself as a "Santa Cruz" representative on the board. I now see myself as a representative (and hopefully, a community builder) across the Monterey Bay region. Thank you for opening my eyes, my mind, and my heart to the challenges and opportunities we all share." - Nina Simon, Executive Director, Santa Cruz Museum of Art and History and MBEP Board Member, November 2015

The end of 2016 brought a shift from focusing only member acquisition to also working on member retention and activation. All of our strategies and implementation are based on their relevance to our member network.

MBEP started surveying the member base in September 2016 and continues to do so on an annual basis, in order to incorporate member feedback into our organizational planning process. Listening and responding to our members – and to current happenings and needs in our communities – will allow us to stay relevant and add value to regional priorities.

Build on Our Strength: Connection

MBEP's nonprofit, agnostic and regional perspective allows us to independently identify obstacles, duplication of effort, gaps and opportunities to best leverage regional resources. MBEP encourages all stakeholders to think more holistically with respect to the region. We model this behavior at our regional events, by sharing regional stories and by connecting members from different parts of the region. We help our members think bigger, e.g. a large employer now sees itself as a potential part of the housing solution by building employer sponsored housing. We help members who have not traditionally seen themselves as regional actors, breaking through silos and enabling them to realize they are indeed part of a bigger picture ... and part of the regional solution.

We know from our member survey conducted in the fall of 2017 that our members would like to see the following improvements to their membership experience⁵:

- More member involvement in initiatives and committees (this was by far the most often mentioned)
- More emphasis on the southern part of the region
- More connections with the public sector
- Continued momentum with regional leaders
- More member input into the data gathered
- Creation of additional success stories

*"MBEP fills a vitally needed local role."
- 2017 Member Survey respondent*

As a 501(c)3 we also educate the broader community and bring our collective members' voices to bear on important local, regional and state policy issues that are aligned with our mission.

Extend the Value of Membership

Based on member feedback we know that the majority of our members (81%) are very or somewhat satisfied with their membership overall.⁶ 100% of 2017 survey respondents stated that they intend to renew their membership.⁷

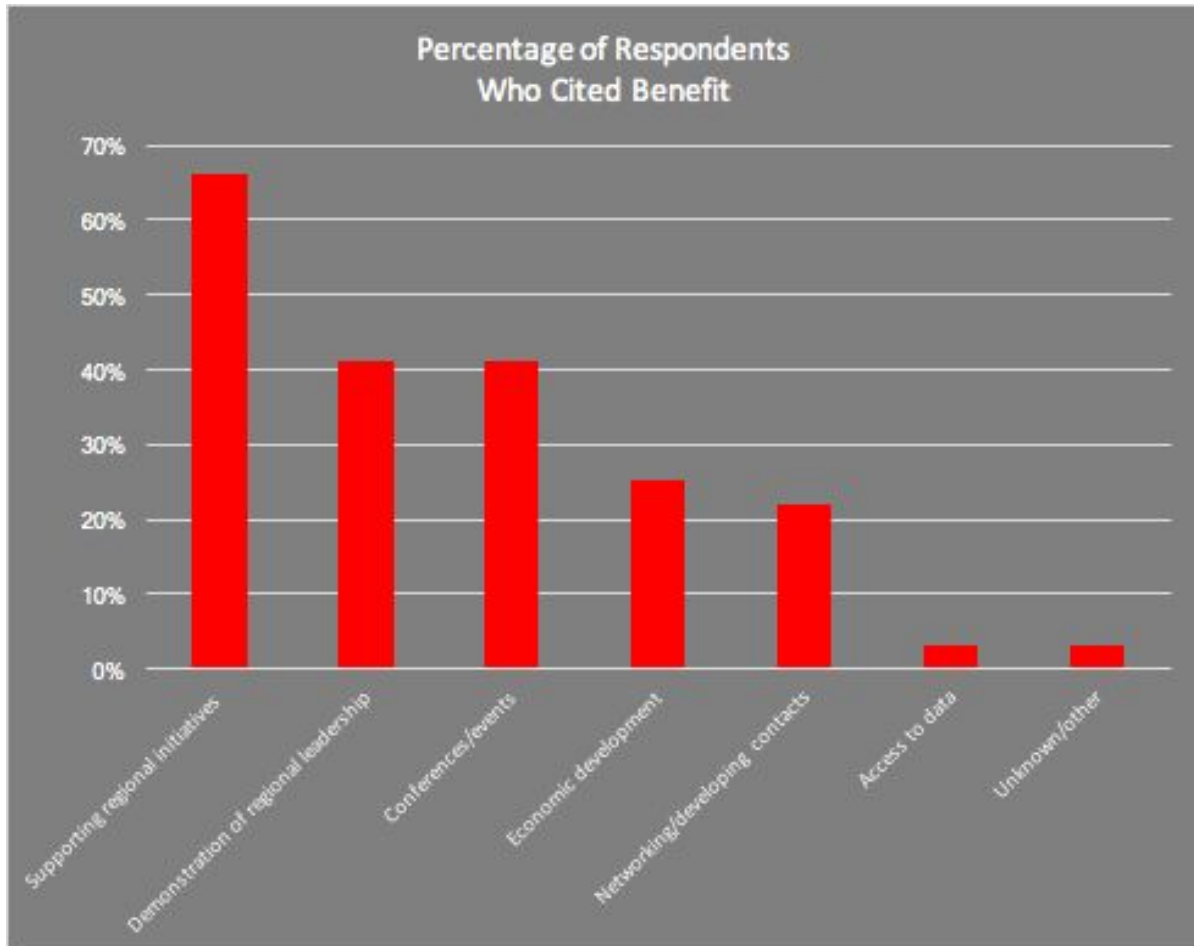
⁵ 2017 Member Survey Q11: What would you improve about or add to your membership experience?

⁶ 2017 Member Survey Q6: Overall, how satisfied are you with your MBEP membership? (1 very unsatisfied and 5 very satisfied)

⁷ 2017 Member Survey Q13: Do you intend to renew your membership (Y/N)?

Fifty-six percent of member survey respondents cited promoting economic vitality as the reason for becoming a member, and when asked about the value MBEP membership delivers the weighted average rating was 4.09 on a 5-point scale.⁸

When asked about top benefits of membership, supporting regional initiatives (housing, workforce, etc.), demonstration of regional leadership and conferences/events were most often cited as seen in the table below.⁹



We continue to grow our membership, and have found that member referrals are the best source of growth — 30% of survey respondents said they had been referred by an MBEP member and 23% said they heard about MBEP through word of mouth.¹⁰

⁸ 2017 Member Survey Q9: What first appealed to you about becoming an MBEP member? and Q10: How much value do you think we deliver to members (1 very little and 5 very much)?

⁹ 2017 Member Survey Q7: In your experience, what are the two biggest benefits of MBEP membership?

¹⁰ 2017 Member Survey Q8: How did you first hear about us?

As we look to explore ways to extend access and networking opportunities, we will focus on the following qualitative benefits and continue to provide our members access to:

- **A network of civic, business and nonprofit leaders – synergistic like-minded organizations who have a shared vision of our region and who want to work together to affect change**
- **Expertise of our member network in order to find solutions faster**
- **Team MBEP’s technical expertise for customized solutions: data, strategy, marketing, housing, etc.**
- **MBEP as a “bridge” to connect to expertise within member network (S4C with Bright Futures, Hospice with 1440 Multiversity, etc.)**
- **MBEP’s regional marketing efforts that promote members’ success stories, etc. (e-newsletter, social media, etc.) highlighting members who are gaining regional traction on important issues**
- **Opportunities to gain visibility through sponsoring and supporting regional meetings (exposure, brand alignment, etc.)**
- **Regional dialogue that didn’t exist before and that is advancing economic vitality in the region**

We also offer these more tangible member benefits, such as:

- **Special member price for our two regional annual conferences**
- **Member-only events**
- **Annual 1:1 strategy meeting with MBEP leadership**
- **Strategic alignment with e-newsletter content (as applicable)**
- **Special individualized project technical assistance (data, marketing, strategy ...)**
- **Exposure at events (sponsor, panelist, Marketplace, supplements, etc.)**
- **Consistent social media engagement**
- **Brand alignment and exposure on our website: member logo and video, News feed and Twitter feed (as applicable)**
- **Opportunity to participate in invite-only initiative specific committees (meet quarterly)**
- **Member only website access privileges (details TBD)**

Marketing

Investing in marketing is important for extending MBEP’s brand and market perception in order to build influence, make a positive difference in our region and realize our Mission.

Background

MBEP is a young organization whose brand identity is still evolving, but even at this early stage is beginning to be highly regarded and reflective of the “can do” attitude that is part of our ethos. Our target market has been key community influencers and employers in the region across all three counties and across all sectors: organizations with 100+ employees are the primary target who have the capacity and budget to support membership and sponsorship costs. We have been very successful to date in attracting more than 80 of the leading organizations from the civic, private and nonprofit sectors who represent 1 of every 10 jobs in the region.

MBEP’s overall marketing strategy has been to build our membership in order to implement our Strategies and achieve our Mission. The three elements of our tagline “Lead, Impact, Thrive” capture the essence of what we do and have been the framework to communicate our brand to date.

The focus of our marketing efforts looking forward is to build on these efforts, in order to activate our member network, and continue to build our influence to make a positive difference throughout the region. Our single most compelling “point of difference” which sets us apart from all others is that we are the only triple-bottom line, regional, nonprofit organizations driving important regional multi-stakeholder initiatives and systems change. We find regional solutions for regional needs. We can support this claim as demonstrated by our Workforce, Tech Ecosystem and Housing initiative accomplishments to date.

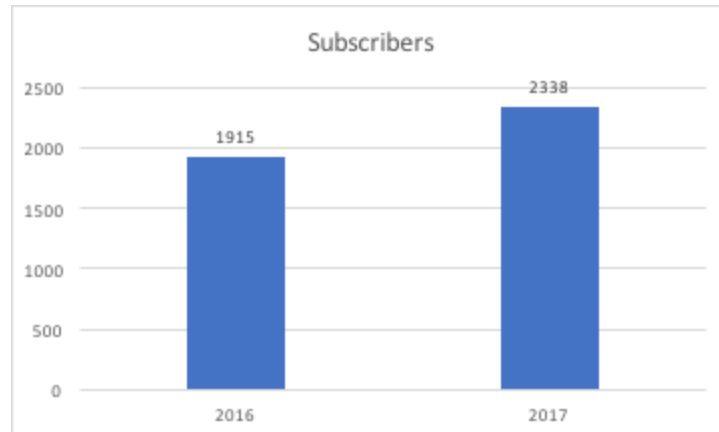
2017 Marketing Analytics

In order to create a vision for our marketing efforts over the next two years, we need to assess our progress to date. This growth was achieved with limited marketing, advertising, and content strategy.

Facebook: At the end of 2017, we had 678 total page likes with a 17% increase from Jan 2017 .



Regional Report: At the end of 2017, we had 2338 subscribers with a 22% increase from 2016.



Marketing Plan

Our Marketing Plan includes:

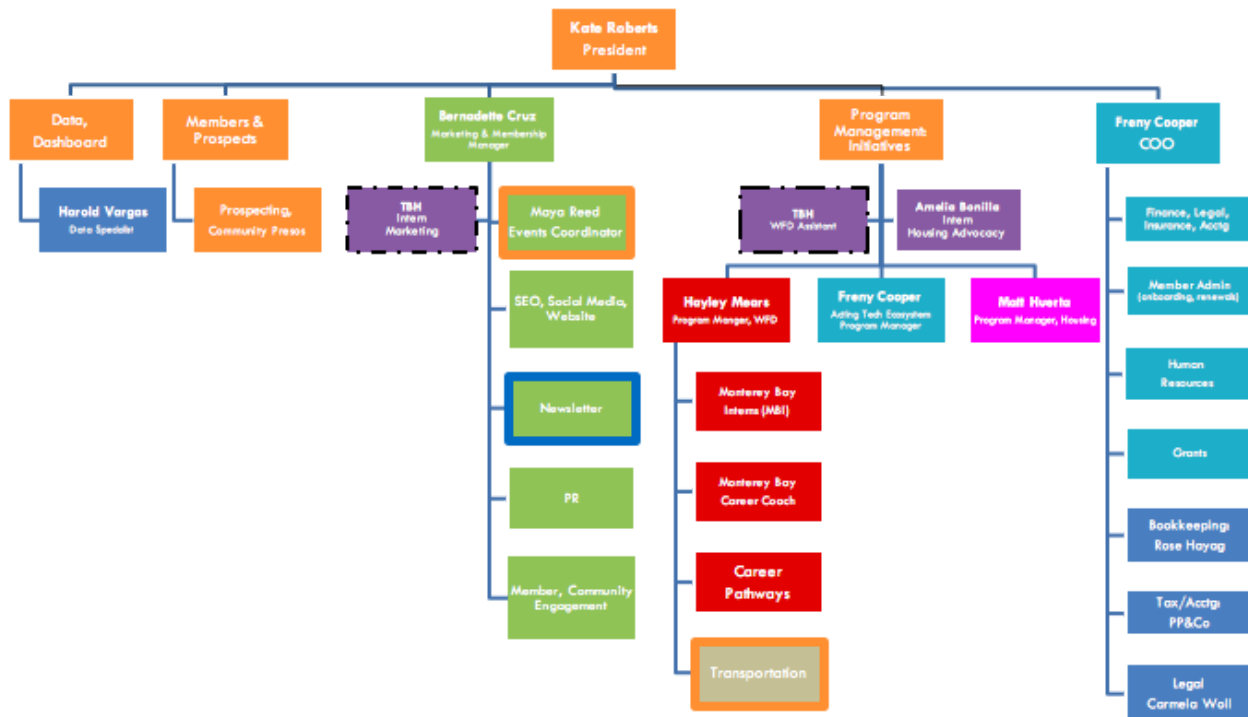
- **Further refining our Target Markets (prospects, members, community at large), and tailoring appropriate messages to these different targets**
- **Incorporating our first year's learnings into our Brand Identity in order to fully capture the essence of who we are**
- **Evaluating, creating and reporting key Marketing Metrics**
- **Defining our Marketing Strategies, such as:**
 - **Ramping up outreach to businesses, government agencies, and nonprofits to ensure robust growth of member base**
 - **Generating high level of awareness around all initiatives through multiple channels and reinforced messages about MBEP's mission**
 - **Increasing frequency of member events/meetings beyond two major conferences each year in order to accelerate change through strategic partnerships**
 - **Increasing touchpoints with current members to gather information on their needs and promote retention**
 - **Interacting with members in person at regularly scheduled events to promote benefits of membership**
 - **Acting as a liaison between member organizations who have synergistic efforts in order to develop streamlined action to regional issues that were previously siloed**
- **Identifying specific Marketing Tactics to communicate with our target audiences, such as social media, earned and paid media, website and SEO, and direct outreach to our constituents**
- **Specific goals include:**
 - **Website relaunch to increase activity, engagement, and conversion**
 - **Increase our Regional Report subscription by 27% (to 3200)**
 - **Based on YOY - 2016: 1915 subscribers, 2017: 2338 subscribers**
 - **Maintaining above industry average of 25%+ open rate for Regional Report**
 - **Increasing our social media following**

- **MBEP Twitter from 1,000 to 1,500 followers**
 - **Compared to similar organizations and industry leaders**
 - [@SonomaEDB](#): 1023 followers
 - [@SantaCruzEDO](#): 911 followers
 - [@SCCBCouncil](#): 1909 followers
 - [@collbud](#): 2397 followers
- **MBEP Facebook by 47% (from 678 to 1,000 likes)**
 - **Compared to similar organizations and industry leaders**
 - [@SonomaEDB](#): 1334 likes
 - [@SantaCruzEDO](#): 837 likes
 - [@SantaCruzCountyBusinessCouncil](#): 811 likes
- **MBI Twitter from 358 to 500**
- **MBI Facebook from 147 to 300**
 - **With a solid social media marketing focus, we hope to grow this channel and drive traffic to mbinterns.org to increase users and opportunities for employers and students to connect.**
- **Achieve attendance of 300+ at every Regional Economic Summit and State of the Region with an average NPS rating of 4.4 or higher**
- **Organize and lead quarterly committee meetings around focused initiatives, with measurable outcomes for each initiative**
- **Organize 2 policy “salons” around specific issues with interested stakeholders**
- **Convene regional political leaders at least once per year**

Operations

Staff

In 2017 we added a part-time Events Coordinator and a full-time Program Manager, and moved our part-time Operations Manager to a full time COO. MBEP prides itself on being “lean and mean” to accomplish much with a small staff. We outsource many roles such as data and website management, bookkeeping, accounting and tax management, legal support, etc. We also “walk the walk” by hiring paid interns to augment our efforts. Below is the organization as of December 2017.



Financial Summary

The organization is fiscally sound and has met all its revenue goals to date, while reducing expenditures. In 2017 we were slightly over budget and fell short of our revenue goals. Our ending cash balance as of 12/31/17 was \$194,747. We have 81 members in good standing, and a few additional organizations that are likely to become members in early 2018.

We anticipate adding new grant revenue streams to the organization, and continuing our membership growth to reach a total of 100+ active members by 2019. For 2018, revenues are projected to be \$845,000 (up from \$748,444 in 2017) with expenses projected to be \$844,819 (vs. \$754,888 in 2017). If all goes according to plan, we will be able to invest additional resources in our programmatic work and add another team member in 2018, plus at least 1 more intern during this time period.



Lead. Impact. Thrive.
explore more at MBEP.biz