

Federal Reserve Bank of Chicago
Third Summit on Regional Competitiveness
October 23, 2015

Greeting and Welcome

JEREMIAH P. BOYLE: Good morning everyone. So now everybody knows that we're getting started. I have two tasks that I need to take care of quickly. The first one is to take care of some housekeeping here. Of course, always the most important one is that the restrooms are out the back doors, down to your left and then just around the corner.

As I said just a minute ago we will be keeping refreshments available just outside these doors for most of the day. But we have tried to make the best use of your time while you're here today, so there's very limited sort of structured breaks throughout the day on this agenda because we do want to keep things moving. So if at any time you need to get up and go get something, you're certainly welcomed to do that.

A couple of other housekeeping kinds of things. You'll notice that on each of your tables you'll see one of these. This is the password for the Wi-Fi network, the guest Wi-Fi network here. So if you have a portable device

and you need that, you are welcomed to log in through that.

And then you'll also see at each table these half-sheets with instructions on how to register in the conference app. This is something that will help you be identified as a participant if you'd like to be and in any way that you would like to be. So if you just want to give us your phone number and your email address to your fellow participants that would be terrific.

But it also offers you the opportunity to register your LinkedIn, or your Twitter, or that kind of thing so that there can be sort of an ongoing discussion now and for a little while after the conference. So we hope you'll, if you're inclined to be a social media maven at all, that you'll take advantage of registering in the app and do some of that not only for the internal conversation, but so that we can keep spreading the word about what we're doing at these summits.

And then the final piece of housekeeping is, as you probably hear every time you go to one these conferences, there are lots of people in the background who have done a lot of work here that will not be at the podium. And as a matter of fact the person at the podium probably did the least amount of work on this, and that's certainly true for this event. But I do want to just take a moment to thank

the Community Development Policy Studies team at the Federal Reserve Bank of Chicago.

They are a team that I get to work with every day. But I was reminded yesterday, as I kept getting messages over and over in my inbox, and the only message was "How can I help?" that that's just the kind of team that I always want to be associated with. So if I could have the CDPS team stand up wherever they are throughout the room to be acknowledged for all the help with what we've done here. And I know many, if not all of you, met Brenda Quezada and Rhonda Branham on your way in. They, too, are a part of our team and did yeomen's work on putting this all together.

So I think that's it for the housekeeping items. I'll check with the staff back there to see if -- did I miss anything? No, okay.

So the second piece of my job this morning very briefly is that I get to welcome you on behalf of the Federal Reserve Bank of Chicago. My name is Jerry Boyle. I'm the Managing Director of Community and Economic Development here at the Federal Reserve Bank of Chicago. And we're very pleased to be co-hosting this summit again with Kelly O'Brien, her staff and the Board of the Alliance for Regional Development.

Today we will be looking at how cross-sector leadership can provide a counterweight to the many incentives that have historically inhibited cooperation among different types of institutions and jurisdictions to help move regional economic strategies forward and help our region compete more competitively.

This is the third summit continuing to follow the release of the Territorial Review of the Chicago Tri-State Metropolitan Area by the Organization for Economic Cooperation and Development, the OECD. After the OECD released that review like-minded leaders from government, academia and private sector organized themselves into four working groups to respond to the challenges identified by the OECD report.

As Chicago Fed President and CEO, Charlie Evans, said at last year's summit, large metropolitan areas are our nation's essential economic and societal units. Their effectiveness and sustainability results directly from how well we can do things like improving transportation encouraging more efficient movement of people and goods through the region. And how well we can match the demand for work skills with those needed skills. And how well we can come up with innovative ideas for productivity and infrastructure improvements.

In turn, this has a direct influence on the standard of living of the people in this region and also creates opportunities for the next generation of workers. We, in the Community Development Policy Studies group, operate under a mandate from Congress through the Board of Governors that was established after the creation of the Community Reinvestment Act that says financial institutions must lend and invest in all of the communities from which they draw deposits, including specifically low and moderate income individuals and communities.

And that's how we come to the table for topics like this and are involved with the Alliance on an ongoing basis is that these things that we are talking about at a regional level have a very direct bearing and impact on individuals who are living in low and moderate income communities and in many ways are living under a double burden while living in poverty while surrounded by poverty. And those are the populations that we in Community Development Policy Studies most directly try to help under that mandate.

Over the past several years we have been conducting a project called the Industrial Cities Initiative that profiled cities in the Seventh Federal Reserve District which covers Iowa, Wisconsin, Illinois, Michigan and

Indiana. Each of those cities that we profiled have a history and legacy of being centers of traditional manufacturing while dealing with the realities of declining manufacturing employment.

One of the important themes of the ICI is that what characterizes cities that outperform their peers is the presence of collaborative leadership articulating an economic vision for the future that can be implemented in a regional context. All of those characteristics of a leadership group are important we think for the success of cities in identifying and implementing an economic development strategy.

So we remain very committed to the notion that having cities be able to place what they do in a regional context is very important for economic development and that cross-sectoral collaborative leadership is a very important element of that as well. So with that introduction to why we at the Fed are here, I would like to turn this over to Kelly O'Brien with the Alliance for Regional Development. Kelly --

KELLY A. O'BRIEN: Thank you. I'm sorry that I have to begin by correcting Jerry, but for him to get up here and say that he did the least amount of work is a real farce. So, let me say to Jerry and his team how much of a

privilege it is to be partnering again for the third summit. And I cannot tell you the hours and the hard work that this team has put into making today what we are sure is going to be a great day.

I have a few other points that I would like to share. But before I do so, for many months I've been in regular communication with the Rauner team and the Governor unfortunately of course is still dealing with some issues down in Springfield. But we are very, very fortunate to have a senior member of the Rauner administration, the Assistant Director of the Illinois Department of Community and Economic Opportunity. Andria Winters is here to give a few remarks to the audience.

So Andria, if I could have you step up here please.

ANDRIA WINTERS: Thank you, Kelly. Good morning. Thanks everybody. I just wanted to take a moment to welcome everyone on behalf of the Governor and our Director, Jim Schultz. And Kelly, now I have to start by correcting you. We're actually now Commerce and Economic Opportunity, it changes a lot, but don't worry about that.

But I did just want to take a moment here. The Governor and our Director, having spent their entire careers in the private sector, understand that business leaders care a lot more about things like access to

workforce, and access to transportation networks, and natural resources than they do about arbitrary political boundaries. So we are really excited to work with all of you to lift all our boats.

Our philosophy is that economic development is a lot like college football. We're going to have our Big Ten rivalries. We're going to spend every Saturday beating the heck out of each other. But at the end of the day we need the conference to be strong because we want a Big Ten team to take home the national championship. So, we -- like I said, we're really excited to work with all of you.

We, for too long, have been a bit of a weak link so we are really focused on turning our ship around. So we are fighting for Governor Rauner's economic reforms that would reduce the cost of doing business overall in Illinois. Things like workers comp, unemployment insurance reform, lawsuit reform, property tax relief and then at a tactical level we've actually been looking to your states on how we can improve the way we do business looking at your best practices.

So how do we become more flexible, more responsive, generally more customer service oriented. So as soon as we get our house in order we're really looking forward to working with all of you to make sure that the Midwest

really is the global destination for business growth and economic development. So thank you very much.

MS. O'BRIEN: Thank you.

MS. WINTERS: Oh, could I say one more thing? My colleague, Carrie Zethmayr is here. Carrie, can you stand up for a minute? She's going to be here the whole day. Please introduce yourselves to her. She's new, but we're - - like I said, to start developing relationships, please find her at some point during the day. Thank you.

MS. O'BRIEN: Thank you so much for being here. We appreciate you taking the time this morning and your remarks are right on point. You know it is so important for us to work together. And I just, in addition to thanking Jerry and the Federal Reserve Bank team, I also want to thank my team. And I'd also want to recognize some special recognition to some of our sponsors especially the Chicago Community Trust, John Buck, and Comcast. And then as you can see we have several other funders and we are really appreciative of their support. We wouldn't be here otherwise.

And the Alliance is now on social media. So please consider following the Alliance on LinkedIn. And the LinkedIn page is called The Alliance for Regional Development, or on Twitter, Alliance4RD. There should be

sheets on all of your papers. And we are encouraging people to use the #togetherisbetter in your remarks. So let's see if we can start something trending. Wouldn't that be fun?

So we've got a really exciting day, action-packed. So we want to get started. And it is my distinct honor to introduce today's emcee. Chancellor Debbie Ford is the sixth chancellor of the University of Wisconsin-Parkside. She has led the campus community in the integration of planning with the development of a Strategic Plan, Strategic Enrollment Management Plan, Academic Plan, Master Plan, and a Technology Roadmap.

The Chancellor serves on many boards and on Workforce Development Boards in Racine and Kenosha, and is the past chair of the Wisconsin Campus Compact. She serves on boards nationally and prior to joining the learning community at UW Parkside, Chancellor Ford served as vice president for the Student Affairs at the University of West Florida, and the vice president for Student Affairs and dean of students at Spalding University in Kentucky.

Chancellor holds her B.S. from the University of Louisville, her master of education from Indiana University, and her doctor of education from the University of Louisville.

I can say personally that she has been a supporter from the beginning. I know one of the founders of the Alliance, Dr. Carmel Ruffolo, had a lot to do with making sure that the Chancellor was aware of the OECD being on the ground. And it really was the Chancellor's visionary leadership understanding the magnitude of having the OECD and the report being published and forming a group like the Alliance. And allowing her team, people like Dr. Ruffolo, to spend the hours and the time creating this and building it really from the ground up.

So it is a distinct honor to welcome Chancellor Debbie Ford to be our emcee today. Thank you.

DEBORAH L. FORD: Thank you, Kelly, for that very nice introduction and it's great to be here for the third regional summit. So, good morning everyone. As Kelly noted I've been involved with the summit -- or with the Alliance since its inception and we're proud at the University of Wisconsin-Parkside to be part of these conversations and certainly part of building new collaborations. And so that's what this is about. So thank you very much for being here today.

So today's the third summit. And so I see a lot of familiar faces, so I know some of you have been here before. For those of you that are new, I hope that you'll

take time to build new relationships particularly across those state lines so that we can truly work as a region.

But a third summit is quite an accomplishment especially when you look at today's very impressive agenda. It's going to be my privilege to introduce the moderator for each panel and then the moderator will introduce each panelist. So, let's get things started.

So our first panelist and moderator is Greg Hinz. Greg is a columnist at Crain's Chicago Business. Greg is one of the nation's top political reporters. His writings are provocative, direct and no nonsense.

He will lead the opening panel which will give us a better understanding of our regions, economy and insights into the options and choices available to better position our region for growth. Ladies and gentlemen, The Regional Economy, "Kicking the can -- what to do when you run out of road," Greg Hinz.

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