



# The Northern California Bay Area

## **The Region**

The Northern California Bay Area consists of nine counties — San Francisco, Marin, Napa, Sonoma, Solano, Contra Costa, Alameda, Santa Clara and San Mateo Counties. Moreover, it's the only region in the nation claiming three major cities — San Francisco, Oakland and San Jose — as well as the high technology center of Silicon Valley, and the heart of Northern California's wine country.

The Northern California Bay Area region has over 7 million residents, making it California's second and the nation's fifth largest metropolitan region. The Bay Area is also among the most productive regions in North America with an economy of nearly \$350 billion. The Bay Area is home to numerous high-tech firms including Hewlett-Packard, Intel, Sun Microsystems, Cisco Systems, Oracle, Apple Computer and Agilent Technologies. The region is highly educated with 37% of the 25-years-old and older population having a bachelor's degree or higher, compared to the U.S. metropolitan average of close to 27%. The Bay Area's robust economy fueled by knowledge-based industries has helped the region maintain a household median income of over \$62,000 (2000 data) which is substantially more than the U.S. metropolitan average of \$50,163.

## **The Business-Led Organizations**

The Northern California Bay Area is home to numerous business-led civic organizations that think regionally. The Bay Area Council is the leading business organization in the area that focuses on regional issues. The Bay Area Council is a business-sponsored, CEO-led, public policy organization that represents 275 major employers. The Council's mission is to serve as the vehicle for business leaders to shape public policies that promote economic prosperity and a high quality of life in the Bay Area.

In addition to its work, the Bay Area Council co-sponsors an organization with the Association of Bay Area Governments called the Bay Area Economic Forum. The Bay Area Economic Forum is a public-private partnership of senior business, government, university, labor and community leaders that develops and implements projects to support the vitality and competitiveness of the regional economy and enhance the quality of life of the region's residents. The Forum's activities focus on issues such as infrastructure (airports, ports, energy and water), housing and transportation, scientific research and development, and international trade. Its publications and forums provide a continuing perspective on economic trends and the changing dynamics of the Bay Area economy.

Another organization in the region that has adopted a regional agenda is the Bay Area Alliance for Sustainable Communities (Bay Area Alliance). The Bay Area Alliance is a

## JOINT VENTURE INITIATIVES

**The Joint Venture: Silicon Valley Network** leads several activities and initiatives aimed at improving the economy and quality of life for residents in the Silicon Valley. Joint Ventures releases an annual Index of the Silicon Valley report which is designed to measure progress toward its goals and help identify high-priority issues to work on each year.

In addition, Joint Venture's Vision Leadership Team led a visioning process which gathered input from community forums, surveys, focus groups, polls and interviews with more than 2,000 residents. This resulted in the release of the Silicon Valley 2010 report. The report describes a vision for the Silicon Valley through the year 2010, with clear goals and specific progress measures. In total, the report lists 17 goals for the region that are grouped into four main focus areas: Innovative Economy, Livable Environment, Inclusive Society, and Regional Stewardship.

*For more information, see [www.jointventure.org](http://www.jointventure.org)*

multi-stakeholder coalition with a significant business presence established in 1997 to develop and implement an action plan that will lead to a more sustainable region. It provides a unique and valuable forum in which representatives of the Three E's of Sustainable Communities (Three E's) — prosperous economy, quality environment, and social equity — and government leaders at all levels come together to address major regional challenges. The Bay Area Alliance has been one of the leading organizations in the region promoting regional equity and environmental sustainability.

In the south part of the Bay Area is another multi-sector organization called Joint Venture: Silicon Valley Network. Joint Venture: Silicon Valley Network is a nonprofit, non-partisan civic organization that strives to provide a neutral forum in which community members can create solutions to the challenges facing the Silicon Valley region. The primary mission of the organization is to mobilize individuals from the business, labor, government, education, and all segments of the community to identify and to act on regional issues. More specifically, Joint Venture: Silicon Valley Network's goals are to sustain a prosperous economy, protect the environment and promote livability as well as connect people to opportunities through shared solutions and regional stewardship. (See box at top of page.)

### **The Regional Business-Civic Landscape**

There is a high level of cooperation among the business-led civic organizations in the Northern California Bay Area region. The major business-led organizations and others with significant participation of business leaders all play a different role within the region. The Bay Area Council is the primary business organization focused on public policy issues that directly affect the region's economy, environment and quality of life such as transportation, housing, jobs, etc. The Council hosts numerous conferences and forums for business and political leaders to examine trends and issues affecting

### BAY AREA ECONOMIC FORUM'S BAY AREA SCIENCE AND INNOVATION CONSORTIUM (BASIC)

The Bay Area Economic Forum launched the Bay Area Science and Innovation Consortium (BASIC), an action-oriented collaboration of the region's major research universities, national laboratories, independent research institutions, and research and development-driven businesses and organizations. BASIC focuses on three major areas: research, innovation and commercialization. BASIC also sponsors a series of Scientific Futures reports highlighting the local achievements and prospects in newly evolving areas of scientific research that have the potential to stimulate new waves of scientific and commercial success in the Northern California Bay Area. The current series of reports are examining nanotechnology and will be followed by reports on information technology, security technologies and biotechnology.

*For more information, see <http://www.bayeconfor.org/BASIC/index.html>*

the economy, such as the annual Outlook Conference. The Council also hosts the Bay Area Business Hall of Fame. Established in 1995 to celebrate the 50th anniversary of the founding of the Bay Area Council, the Bay Area Business Hall of Fame recognizes the achievements of individuals and families who have advanced Bay Area-based businesses to positions of national and international prominence and who have enriched the civic life of the Bay Area community. Finally, the Council publishes several reports including the Bay Area Economic Profile, the annual Bay Area Poll, the quarterly Bay Area Economic Pulse, and the quarterly Bay Area Business Confidence Survey.

The Bay Area Economic Forum, which is co-sponsored by the Council and the Association of Bay Area Governments, focuses on specific issues like energy, international trade, scientific research and development. Although there is some overlap in the interests of the Council and the Bay Area Economic Forum, the Forum's main role is to conduct economic and policy analysis on key issues affecting the Bay Area and its future. The Forum also tries to mobilize regional and state leaders to address these issues.

The Bay Area Alliance is the premier multi-sector coalition in the region that is focused on developing the economy, protecting the environment and promoting social equity. The Bay Area Alliance was instrumental in leading a region-wide effort to implement an action plan that will lead to a more sustainable Northern California Bay Area region. The action plan, Compact for a Sustainable Bay Area, lays out key regional challenges and recommends strategic commitments to meet those challenges. The Compact embraces the vision of the Bay Area Alliance and incorporates the organization's focus on the three E's: a prosperous economy, quality environment, and social equity. The Compact took six years to complete and is supported by members of the Bay Area Alliance. According to the organization, the Compact "will also serve as a framework for action that will guide, but not prescribe, both regional and local

planning and decision-making and motivate government, employers, civic organizations and individuals in cooperative efforts that will lead to a more sustainable region.”

Joint Venture: Silicon Valley Network is by far the most influential organization south of San Francisco. Joint Venture specifically focuses on improving the economy, environment and quality of life in the Silicon Valley. The organization’s priorities are centered around four large program areas: Innovative Economy, Livable Environment, Inclusive Society and Regional Stewardship. A broad agenda allows Joint Venture to cover regional issues ranging from tax and fiscal policy to smart growth to workforce development to regional visioning.

### **Business Leadership**

The level of business leaders’ involvement in regional issues has always been high in the Northern California Bay Area. Business leaders said that over the last eight years or so the Bay Area’s business community has increasingly paid more attention to regional issues. There are several factors for this. First, during the mid to late 1990s the Bay Area’s economy exploded. The heated economy drew hundreds of thousands of people to the region in search of high paying, knowledge-based jobs. This resulted in a higher cost of living as the demand for housing quickly outpaced the supply. In addition, traffic congestion increased as people moved farther away in search of lower priced housing. Business leaders were concerned that the high cost of living, lack of affordable housing and increased traffic congestion would hurt the area’s economic competitiveness. As a result the Council hired McKinsey & Company to analyze the strengths and weaknesses of the Bay Area economy relative to other regional economies across the United States. The study by McKinsey & Company encouraged business leaders to work together to focus on issues such as affordable housing, workforce development, job creation and protecting the environment.

Today, the level of business leaders’ involvement in regional issues continues to be high because the Bay Area has been hit hard by the recent recession and decline in the technology industry. As Sean Randolph, President of the Bay Area Economic Forum stated, “Job creation is very important because unemployment is high right now in the Bay Area, the highest in the state of California. So issues like healthcare costs, taxation, and workers compensation are all important issues.” This was seconded by Andrew Michael, Vice President of the Bay Area Council, who stated that “the business climate, job development, housing and transportation are all important issues affecting the health of the Bay Area’s economy.” As a result, it is likely that business leaders in the Bay Area will continue to be heavily involved in promoting a prosperous economy and high quality of life for all residents. More importantly, business leaders will continue to work cooperatively together with government and civic leaders to maintain a sustainable regional economy.