

California Partnership for the San Joaquin Valley

Researcher(s): Alan Okagaki, Chris Danis

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Interviewees

Dorene D'Adamo, Board Member, California Water Resources Control Board, Sacramento CA Lynn Ashbeck, Senior Vice President for Community Engagement, Valley Children's Health Care, Clovis CA

Vito Chiesa, Board of Supervisors, Stanislaus County, Hughson CA

Lee Ann Eager, CEO, Central Valley Economic Development Corporation, Fresno CA

Sarge Green, Interim Director, Center for Irrigation Technology, CSU Fresno, Fresno CA

Ismael Hernandez, Executive Director, Office of Community Economic Development, California State University Fresno, Fresno CA

Genoveva Islas, Executive Director, Cultiva de Salud, Fresno CA

Courtney Kalashian, Executive Director, San Joaquin Valley Clean Energy Organization, Fresno CA

Luisa Medina, Director of Development, Central California Legal Services, Fresno CA

Andrew Mendoza, Manager for Community and Government Relations Central Valley, Kaiser Permanente, Stockton CA

Mary Renner, Chief Operations Officer, Central Valley Health Network, Fresno CA Karen Ross, Secretary, California Dept. of Food and Agriculture, Sacramento Jim Sunennen, Associate Secretary, External Affairs, California Health and Human Services Agency, Sacramento

Pete Webber, (retired), founder and former Partnership Board Member, Fresno CA

Background

- The California Partnership for the San Joaquin Valley (CPSV) was created by governor's executive
 order in 2005 to improve the economy and well-being of the people of the San Joaquin Valley and
 address the region's repeated failure to meet EPA air quality standards. Its original board included
 eight representatives each from state government, local government and the private sector. It was
 charged with, among other responsibilities:
 - Identifying projects and programs that best utilize public dollars and will most quickly improve the economic vitality of the Valley;
 - Gaining support for federal resources
 - Recommending changes that would improve the economic well-being of the Valley and the quality of life of its residents.
- The Valley is an agricultural powerhouse and its vitality is critical to the state economy. Despite this natural wealth, the Valley lags behind the rest of state on economic, environmental, and human well-being indicators. When the Partnership was created:
 - o Per capita incomes were 32.2% lower than the state average.
 - College attendance was consistently 50% below the state average.
 - Violent crime was 24% higher.



- Access to healthcare was 31% lower (based on the number of primary care physicians serving the population).
- Air quality was among the worst in the nation.
- o Per-capita federal and state funding were less than national and state averages.
- The CPSJV was included in this study because it spans geographic, jurisdictional, sector and issue area boundaries. It incorporates state agency heads alongside local elected officials in its governance structure, an unusual and possibly unique arrangement. Its work groups cover a wide spectrum of issues: economic development, energy, education, health, air quality, water supply and quality, transportation, broadband, and workforce development.

Organization

- <u>Legal Structure:</u> The Partnership has no formal legal structure other than being "chartered" by a
 time-limited governor's executive order. It is not incorporated as a for-profit, non-profit or quasipublic entity nor does it exist through a joint powers agreement as do regional COGs.
- Component Parts: The Partnership has three major component parts:
 - <u>Board of Directors</u>: Presently consists of 37 persons appointed by the Governor. Current board composition: 10 persons representing state agencies; 12 local government officials (elected officials and heads of special purpose entities such as irrigation districts); 7 private sector; 7 non-profit and labor; and 2 college presidents. The board has women and people of color as members but they are arguably under-represented numerically. Board meets quarterly.
 - o Work Groups: The Partnership has 10 issue-specific work groups:
 - Water Quality, Supply and Reliability
 - Higher Education
 - Economic Development
 - Advanced Communications
 - Health and Community Services
 - Housing
 - PreK-12 Education
 - Air Quality
 - Energy
 - Workforce Development
 - Secretariat: The Partnership contracts with the Office of Community and Economic Development (OCED) at California State University Fresno to serve as secretariat: coordinating and supporting Partnership Board meetings and the work groups. In addition to its administrative functions, OCED raises funds for Partnership operations and is often the public face of the Partnership.
- <u>Authority and Funding:</u> Although created by government and largely comprised of governmental
 entities, the Partnership lacks formal authority and a permanent funding stream. It has no
 regulatory, taxation or other vested authority. After an initial \$5 million award, most of its funding
 has come from outside state government and it has been forced to raise its own operating support
 like a non-profit organization.
- <u>Functions</u>: Despite these limitations of funding and authority, the Partnership performs several valuable functions:



- It presents a unified voice for the San Joaquin Valley in policy and funding decisions, directed primarily at state government.
- o It is charged with including the voices of those typically left out of the power structure.
- It serves as a neutral and safe forum where issues affecting the region as a whole can be raised, learned about, discussed, responses formulated, and action taken.
- o It is a place where new initiatives and even new organizations can be conceived and launched.
- o It is a rich venue for information-sharing and cross-sector and cross-issue learning.

Context

- <u>Demographics:</u> The San Joaquin Valley region consists of eight counties in central California (Fresno, Kern, Kings, Madera, Merced, San Joaquin, Stanislaus and Tulare) with a combined population over 4.2 million and a landmass of 27,262 square miles. Between 2010-2017, the region's population increased by 6.8%, faster than the State's 5.3% growth. The region as a whole is majority Latino. The overall poverty rate was nearly 20% (state poverty rate was 13.3% in 2017) and two counties, Fresno and Tulare, qualify as USDA persistent poverty counties. County per-capita income stood between \$19,000 and \$25,000, compared to a stage average of \$33,128. While the Valley is generally thought of as "rural", every county has at least one city with a population over 50,000 and each county is classified as "metropolitan" under the OMB definitions of "metropolitan" and "non-metropolitan".
- <u>Economics</u>: The Valley's economy is predominantly based on natural resources and amenities: agriculture and food processing throughout the Valley, oil and gas in Kern County (the southern Valley), and recreation/tourism in the mountainous eastern part of the Valley. Economic strength has not translated into favorable economic and well-being outcomes for many Valley residents.
- Regional Identity and Common Concerns: The San Joaquin Valley is understood as a distinct region by those within and outside the Valley. Many of the Valley's problems are understood as intrinsically regional in nature and cannot be solved through local action alone. Some examples are: scarce water and water quality, air pollution, vitality of agriculture and food processing industries, and limited health care and mental health services.
- <u>Policy and Power Disparities:</u> Interviewees expressed the power disparities between the Valley and California's major urban centers. A consistent refrain from board members was that Los Angeles and the Bay Area were able to command resources from state government and the rest of the state fought over the scraps. The fact that the Valley receives less funding per-capita than the state average gives credence to this complaint. Power disparities lead Partnership Board members to want to speak for the Valley with a unified voice.

Collaboration

• Scope of Partners: As noted above, the Partnership incorporates state agencies, local officials, special purpose districts, quasi-public development organizations, large and small businesses, non-profit organizations, large institutions (hospitals, college and universities), labor and interested others into its board and work groups. The issue breadth of its work groups leads to a still larger array of partners. Through its board and workgroups, the Partnership facilitates information-exchange and cooperation across issue-area boundaries. Many interviewees cited the opportunity to learn about and make connections across issue silos as one of the primary benefits from the Partnership.



- <u>Soft Power:</u> The Partnership is a case study of what we might call "soft power" persuasion and cooperation as opposed to regulation, taxation or other forms of hard power. The Partnership's strength is its ability to work with key groups to find common ground on important issues and move them forward. Even though it has no authority or statutory standing, it serves as a relevant voice that is both trusted and considerate of the varied interests in the Valley, including urban and rural stakeholders. While the Partnership lacks formal power, its structure, with 7 state agency heads sitting on its board of directors, gives it direct and unusual access to power. State legislators and members of the federal Congressional delegation regularly participate in Partnership board meetings, further strengthening the Partnership's influence. The broad representativeness of the board and the work groups gives the Partnership legitimacy.
- Political Culture: The Partnership operates through bi-partisan dialogue and cooperation: Democrats and Republicans working together. Board members and working group participants are asked to "check their partisanship at the door" and operate on the basis of what is best for the Valley. Interviewees said the Valley itself has a long history of political leaders and agencies working across party aisles and that this culture has persisted despite the intensity of current political divides. The Partnership was built on this culture of cooperation and has been able to continue functioning by maintaining an open political culture.
- Formal Regional Authorities: It would appear the Partnership might duplicate the functions of formal regional bodies such as the councils of government. Each of the eight counties has its own COG which, in turn participates in a regional association, San Joaquin Valley Regional Policy Council (SJVRPC). Given their mandated responsibilities, the COGs and the SJVRPC are more heavily focused on federal and state transportation and transit funding and air quality concerns. Its approach is more county-centric than San Joaquin Valley resident centric and it lacks the Partnership's issue breadth and cross-sector approach. Urban-rural connection is less prevalent in SJVRPC work

Despite some overlaps in role and purpose, the Partnership and SJVRPC do collaborate. Four persons sit on both boards of directors. The SJVRPC is the lead organization in the Partnership's Sustainable Communities work group, with the caveat that that work group has not been very active. The SJVRPC includes the OCED Secretariat as part of its board meetings and agenda update items.

Rural-Urban Relationships

The rural-urban relationship operates at two different levels. First, there is the relationship between the San Joaquin Valley region as a whole and the major coastal urban areas of California. In this relationship, the San Joaquin Valley is perceived as "rural" and greater Los Angeles and San Francisco Bay Area are "urban." Second, there is the relationship between the cities within the San Joaquin Valley and their surrounding rural areas, noting that every Valley county is anchored by at least one city with over 50,000 population.

Relationships between the Valley and the Rest of California

- <u>Economic:</u> The Valley's agriculture and food processing industries are a critical part of the total California economy.
- <u>Growth Spillover:</u> Given high cost of land and housing in major urban areas, the Valley is absorbing growth that cannot be accommodated in Los Angeles or the San Francisco Bay Area.
 - o The north Valley is home to commuters who live in the Valley but work in the Bay Area.



- Businesses in major urban areas are locating parts of their operations in the Valley. The lower cost of land and lower cost of living make re-locations and expansions attractive to business owners and their employees.
- <u>Transportation</u>: The Valley is a major transportation corridor linking northern California to southern California: Interstate 5 and State Route 99.
- Water: Water is collected and stored in the Sierra Nevada mountains and foothills. Water is moved from northern California to southern California through an aqueduct system that runs through the Valley.
- Recreation: The Sierra Nevada mountains on the eastern edge of the Valley are one of the major, if not the major outdoor recreation and tourism destination in California.

Rural-Urban Relationships within the Region

- <u>Land Use Patterns:</u> The dominant land use for much of the San Joaquin Valley is agriculture.
 Transitions from urban to rural are abrupt; rural areas generally occur quickly outside of the urban areas. Suburban edges and peri-urban areas are fairly limited but are growing in some parts of the Valley.
- <u>Commuter Relationship:</u> Housing prices in the urban centers are increasing, forcing people to live further away from their jobs and lengthening commuting times to 1-2 hours. Rural and peri-urban areas are providing housing for workers employed in urban areas.
- <u>Ecosystem Services:</u> Water issues necessitate urban and rural working together. Groundwater
 management, including aquifer recharge, has become the new frontier of wager policy. Meanwhile
 many smaller rural water districts have failing infrastructure and limited capacity to address water
 supply and quality problems on their own.
- <u>Social Services</u>: Health and social services are concentrated in the major urban centers and then distributed outwards to the rural areas through satellite offices. For more sophisticated or niche services, people have to travel to the urban centers.
- <u>Broadband</u>: High-speed broadband infrastructure is deficient through much of the Valley, particularly in rural agricultural communities. This digital divide constrains agriculture industry technology advancements, economic development, and delivery of services such as health care, workforce training, and distance learning.

Equity

• <u>Intentionality</u>: The Partnership's focus on equity was intentional. Geographic inequity – the disparities between the Valley and the rest of California – was the fundamental premise behind the Partnership's origins. The commitment to people of color and lower-income populations was explicit in the Partnership's original Strategic Action Proposal:

To the Partnership, social equity means fair treatment and meaningful involvement of all races, cultures and income levels from early stages of planning and investment decision-making. And, it embraces the concept of environmental justice as articulated in the federal executive order which promotes policies and strategies to enhance the participation of low-income and minority



- communities in public policy promulgation and decision making to ensure that adverse impacts of public investments do not unfairly burden a group or community.¹
- Equity-related Strategies and Activities: Four of the Partnership's strategic priorities directly confront equity issues:
 - Water Quality and Supply: safe drinking water for all; deteriorating infrastructure in small rural communities
 - o <u>Higher Education</u>: Expanding higher education opportunities for all.
 - San Joaquin Valley Broadband: Bringing high-speed broadband infrastructure to rural agricultural communities. Improving digital literacy for less advantaged populations.
 - Health: Efforts to advance health equity to ensure all residents have health insurance and access to high-quality, affordable health care.
- Advocacy: The Partnership has advocated for resources and initiated specific programs that have benefitted low-income people or rural communities. Some examples include: broadband deployment in underserved and rural areas; safe drinking water for rural communities; energy conservation programs for smaller cities and towns; and research, education and treatment options around "Valley Fever", a fungal infection that affects young, elderly and agricultural field workers.

Commentary

- Challenge of Converting Soft Power to Results: The Partnership has been successful at facilitating information-exchange, networking and learning across sectors, jurisdictions and issue-areas. In fact, many interviewees cited the opportunity to learn and make connections across issue silos as one of the primary benefits from the Partnership. However, most interviewees would like the Partnership to be more action-focused. Since it lacks regulatory, taxation or other formal power, the fundamental question for the Partnership is: How to move from talk to regional solutions and action using the resources of soft power?
- <u>Modes of Action:</u> To answer that question, the first step is to be clear about what "action" look like in a soft power context. We found several different forms of action that the Partnership has taken:
 - <u>Launch of New Programs or Initiatives</u>: The Partnership has launched or encouraged other stakeholders to implement new initiatives such as the San Joaquin Valley Clean Energy Organization, the San Joaquin Valley Regional Broadband Consortium, and the 8-county coordination of the workforce development system.
 - <u>Negotiating Compromises:</u> Action may take the form of a negotiated agreed-upon course of action for a politically difficult situation. The Partnership has served that function on contentious water quality and water supply issues, presenting policy recommendations to the state which had consensus support.
 - Resources: The Partnership has been able to influence the flow of resources into the Valley,
 such as state legislative or agency-level funding decisions such as for railway or highway funding.
- Maintaining and Building Soft Power: Soft power depends on a culture of trust and cooperation.
 That culture can be lost if false moves are taken. Soft power organizations risk losing that culture if they overextend their reach, especially if those efforts fail or disappoint. On the other hand, soft power and its underlying culture will grow with success. There seems to be a paradox whereby the

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¹ California Partnership for the San Joaquin Valley. *Strategic Action Proposal, October 2016*. http://www.sjvpartnership.org/wp-content/uploads/2017/09/Partnership_SAP_Oct2006.pdf

Partnership's lack of formal power gives space to more honest conversation and building common understanding.

- <u>Staffing and Core Support:</u> Soft power organizations need high quality staffing and adequate core support to deliver results. In its early years, the Partnership was well-resourced and was able to move many projects along. When state funding was lost, its ability to do so was limited and it tilted more towards a forum for information sharing and learning rather than action.
- Peaks and Valleys: The Partnership has cycled between periods of strength and of weakness depending on two factors: 1) support from the Governor; and 2) funding. Former governor Arnold Schwarzenegger had a strong allegiance to the San Joaquin Valley and originally created the Partnership through executive order. For Jerry Brown, who became governor in 2011, the Valley was not a priority and the Partnership received no more state funding. Equally important, Brown did not pressure his agency heads to participate. The Partnership waned during his tenure and survived only through foundation grants and the personal commitment of its board and work group members. In November 2018 Gavin Newsom was elected governor of California. Newsom has a much greater interest in the Valley and has signaled his support for the Partnership. A new statewide initiative, Regions Rise Together, was launched earlier this year patterned after the Partnership. Ironically, while lacking permanent status and funding source, the Partnership model has been deemed worthy of replication throughout California.
- Wider Applicability: The critical factor in the Partnership's success is the required direct participation of state department heads on the Partnership board. Given time constraints, it is agency leaders may not be able to serve on more than one or two regional boards. Principles of soft power are widely applicable. While regional institutions such as COGs do have formal standing and authority, their powers are generally fairly limited. By necessity, regional government entities must utilize soft power to accomplish goals and objectives beyond the direct scope of their regulatory and formal powers. The lessons of soft power hold true not just for the Partnership but for all regional government intermediaries.



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