9/29/2016 MINUTES

# WESTERN CT ECONOMIC ADVISORY GROUP

Held at the Comstock Community Center
180 School Rd, Wilton, CT 06897

## MEMBERS

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|---|---|
| Hal Kurfehs | VP Coldwell Banker Commercial, Brookfield Economic Development Commission |
| Lisa Mercurio | Business Council of Fairfield County |
| Valeria Bisceglia | Business Advisor, CT Small Business Development Center |
| Joe Ercolano | Associate Director, CT Small Business Development Center |
| Thomas Madden | Director of Economic Development, City of Stamford |
| Lisa Scails | Executive Director, Cultural Alliance of Western Connecticut |
| Eugene Schreiner | First County Bank |

## ALSO ATTENDING

Tom Long, Workplace Inc.; Betsy Paynter, Newton Economic Development; WestCOG staff members Elizabeth Esposito and James Dawson.

## WELCOME AND OVERVIEW

The meeting was called to order at 12:30 PM by Associate Planner Elizabeth Esposito.

Ms. Esposito reviewed the purpose of the Western CT Economic Advisory Group, which is to guide and provide feedback to WestCOG to create a Comprehensive Economic Development Strategy (CEDS) for the region.

## PUBLIC PARTICIPATION

There was no public participation.

## PRESENTATIONS

**Small Business Development Council – CEDS Data Summary:** A presentation on this topic was made by Joe Ercolano. Mr. Ercolano summarized, with a PowerPoint, the CEDS data for CT.

1. Economic Performance
   a. CT job recover is 50% national average
   b. CT recovered 80% of jobs since the recession of 2008
      i. MA and NY have recovered 2.5 of what it lost
   c. Fairfield County
      i. -0.24% growth rate in employment between 1998-2015
      ii. 0.39% growth on annual wages between 2010-2014
         1. 2.69% national annual wages growth
   d. Conclusions:
      i. Fairfield County had weaker GDP and employment growth than Connecticut
      ii. Slow growth since 2010 has had a significant impact on annual wages.

2. Fairfield County's Business Base
    a. Fairfield County had 27,022 non-government establishments employing 409,000 people in 2012
    b. 86% of all Fairfield County industries have less than 20 employees
        i. 29.7% of Fairfield County employment is at worksites with less than 20 employees
            1. 26.9% for New Haven County
            2. 21.9% for Hartford County
    c. Business Ownership
        i. one in five white-owned firms have paid employees at a rate 6 2/3 times greater than for African American-owned firms
            1. nearly 3 times greater than Hispanic-owned firms
        ii. A greater percentage of Asian-American firms have paid employees than white-owned firms
        iii. Only 10% of Female-owned firms have paid employees
3. Industry Clusters
    a. Fairfield County's top industry clusters, with national rank () and *employment* (2014) and percent of County total employment (408,854)
        i. Financial Services (8), *28,113* [6.9%]
        ii. Aerospace Vehicles and Defense (10), *9,320* [2.3%]
        iii. Education and Knowledge Creation (44), *15,102* [3.7%]
        iv. Aerospace Vehicles and Defense (10), *9,320* [2.3%]
        v. Video Production and Distribution (15), *924* [.2%]
        vi. Marketing Design and Publishing (18), *12,050* [3%]
        vii. Performing Arts (33), *2,350* [.6%]
        viii. Medical Devices (49), *1,138* [.3%]
    b. Conclusions:
        i. strongest cluster continues to be Financial Services
        ii. Education and Knowledge Creation and Marketing, Design, and Publishing are also strong clusters with relative large employment
        iii. loss of over 12,000 corporate headquarters jobs, an industry category that generated $2.3 billion in annual payroll in 2012, which was 7% of total County payroll
4. New Business Creation
    a. CT decreased 3,864 establishments
        i. business starts have increased since the Great Recession, but the rate of starts is still below pre-recession levels
    b. the number of new establishments in 2013 at 2,321 was roughly 15% higher than the low of 2,041 in 2009, it was still 18% lower (506 fewer new establishments) than the peak reached in 2005 in Fairfield County
    c. the number of incorporated businesses in the Western COG towns declined by 16% from 2011 to 2015
    d. Millennials are creating businesses at a slower rate than other generations
    e. 27% of new businesses are created by immigrants
5. Business Attraction
    a. Manhattan Clusters to Recruit:
        i. Business Services
        ii. Financial Services
        iii. Marketing, Design, and Publishing

iv. Education and Knowledge Creation
v. Distribution and Electronic Commerce

b. Manhattan Clusters to Sell To:
    i. Food Processing and Manufacturing
    ii. Construction Products and Services
    iii. Furniture
    iv. Biopharmaceuticals
    v. Aerospace Vehicles and Defense

6. Occupational Data
    a. the Bridgeport-Stamford- Norwalk area has a greater presence of management, arts, design, entertainment, sports, and media, and business and financial operations occupations
    b. The region may want to consider strategies to attract and grow more Computer and Mathematical Occupations, especially in the Danbury region, to meet the demand for these occupations.

The presentation was made available to all attendees following the meeting at was posted on the WestCOG website.

## DISCUSSION

Attendees discussed the presented data and ways to improve it. They also engaged in discussion concerning the next steps for the group.

*Regional Analysis – Baseline Conclusions for the CEDS*

1. WestCOG's Strategic Industries
    a. Add digital media and remove retail trade
    b. Add employment by business services
    c. Split urban/suburban/rural with population data
2. Demographic Analysis
    a. Minority owned = less opportunity
    b. High regulation
    c. Correlate data from industries to education
    d. Trained professionals are lacking in Danbury
        i. Basic skill deficiency
    e. Immigrant population has no way of transfer skills learned outside of the U.S.
3. Economic Analysis
    a. More contract/part-time work than full-time with benefits
    b. Construction is weak
    c. Add a section comparing other sectors to Fairfield
    d. Combine Danbury, Stamford & Norwalk to create a region rather than individually
        i. Find commonalities
4. Industry Cluster
    a. Change policy
5. Transportation Infrastructure
    a. Intra-state vs inter-state commute analysis
6. SWOT Analysis
    a. List of Housatonic Valley Survey Questions

## INFORMATIONAL ITEMS

**Next Meeting:** They next meeting will be held in mid to late January, 2017. Advisory Group members will be polled for their availability.

## OTHER BUSINESS
None

## ADJOURNMENT
The meeting was adjourned at 2:15 PM.