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**BERKSHIRE CEDS MEETING MINUTES**  
THE COMPREHENSIVE ECONOMIC DEVELOPMENT STRATEGY FOR THE BERKSHIRES

**DATE:** Thursday May 6, 2004  
**TIME:** 8:30 AM  
**PLACE:** Berkshire Regional Planning Commission Offices  
1 Fenn Street, Suite 201  
Pittsfield, MA

**I. Committee Member Introductions**

Each committee member introduced him or herself by name and by affiliation. Committee members in attendance were:

Al Bashevkin	Al Marden
Dave Bissaillon	Bill Mulholland
Heather Boulger	Sharon Palma
Donna Cesan	Richard Rilla
Tim Geller	Richard Scullin
Mark Germanowski	Vicky Singer
Sam Haupt	Rich Vinette (Chair)
Denise Johns	Ken Walto
Matt Kerwood	

Also in attendance were: Nat Karns (BRPC Executive Director), Kate McNulty-Vaughan (BRPC staff), and Peter Falcier (BRPC staff).

**II. The CEDS Process and EDA Requirements**

A) Purpose and Scope of CEDS

Mr. Vinette began by thanking everyone in attendance and expressing his wish to continue the 2004 CEDS process after the June 30, 2004 document deadline without the “fire drill” style of meetings of the 2001 process. He explained that in addition to preparing the CEDS document, these meetings could also be an opportunity for the many people concerned with and working on economic development issues on a daily basis in the region to come together in the same room for discussion. Moreover, he added, it is important for this group of people to recognize that while we all may have individual local responsibilities this forum may provide a regional outlook.

Mr. Vinette focused for a time on the importance of this CEDS meeting and the next several to follow up on completing the document. He explained some of the problems encountered in the 2001 process and document, not the least of which was a lack of continuity in the meetings or process.

Mr. Karns referred committee members to the prepared materials that each one received before the meeting. He described the EDA requirements for a successful CEDS: an ongoing process (more systematic, less “fire drill”); a committee diverse and representative of the region in geographic distribution, gender, public/private interests, and ethnicity. (Mr. Karns mentioned that we still have to

shore up some of the representation on this year's committee.) The committee represents areas like workforce, disadvantaged populations, key industries, health systems—a global representation of the region. The CEDS document is meant to be a strategic plan and a prioritization of economic development projects.

Mr. Karns outlined the 4 main elements of the CEDS document: 1) analysis of the state of the regional economy (opportunities and threats, resources and partners for ED), 2) county's vision and goals reflecting relative competitive weakness and advantages, with an action plan, 3) project evaluation and implementation, and 4) performance criteria for use as project and goals tracking mechanisms.

Mr. Karns said the region should treat the CEDS not just as an EDA document and process but also as a locally and regionally meaningful document that all Berkshire ED people can use in state and other funding and ED endeavors.

#### B) Where CEDS fits in with other current ED strategies in the Region

Mr. Vinette mentioned that many of the CEDS committee members have participated in similar ED endeavors regarding the Berkshires' weaknesses and strengths. He expressed a desire to review the 2001 SWOT and brief all those who may not be familiar.

Mr. Karns mentioned that the CEDS staff will be passing around an ED list of background material as a sort of "bibliography" for the Committee Members' review. Mr. Vinette mentioned the Berkshire Regional Competitiveness Council (RCC) report and a study by Prof. Michael Porter, the 2001 CEDS, the Sites Strategy for Berkshire County, the Northern Tier Economic Review, the Market Study for the GE site in Pittsfield, and an article appearing in the Fall 2002 issue of Massachusetts Benchmarks noting the importance of nonemployer/tech sector activities in the Berkshires. Mr. Bissaillon asked if the "Jobs for Pittsfield Plan" would be on the bibliography. Mr. Karns said that he had not yet seen that plan, but Mr. Vinette noted that it should be added to the list of documents when available.

Mr. Vinette asked if we have updated e-mail addresses for everyone. He also asked any other committee members to share suggestions for the bibliography Actions & Roles the Committee will take/be responsible for in the Region

This was not discussed in detail.

### III. Background on Region's Economy: Where Are We Now?

Mr. Karns said that the CEDS staff didn't want to overwhelm every committee member with a "raft of documents." He said that most committee members are well aware of the state of the region's economy. He wanted avoid repeating a full scale SWOT analysis, since so many of the committee members had been a part of that process or ones like it in recent years.

#### A) Trends & Indicators

Mr. Karns said that most of the trends and indicators from the previous CEDS have not changed much, with a few notable exceptions.

Mr. Karns quoted from the winter/spring 2003 issue of *Massachusetts Benchmarks*: "The Berkshire region is less integrated into the social and economic fabric of Massachusetts than any other in the state." Mr. Karns said that the statistics show plainly that the Berkshires are indeed different. It is the only region in the state that declined in population through the late 1990s. The latest year's census figures show that that may be leveling off, but "one data point doesn't make a trend." Regardless, the Berkshire population growth is not comparable to that of other regions in the state.

Mr. Karns pointed out that the Berkshires have an aging population. The key employment age group of 19-40 is not well-represented. There is more out-migration than in-migration. There are also many

fewer immigrants in the Berkshires, with less overall ethnic diversity. The region suffers from lower levels of educational attainment than the rest of MA, though it is close to the national average. Housing is a factor that varies dramatically depending on where in the region you are.

The economic base has been changing towards service related jobs, which tend to be lower paying; we have a relatively strong manufacturing (printing, plastics) sector, which is still a vital component of the region's economy. We do see a strong resurgence of the analytics sector through the job growth of General Dynamics.

Touching on the RCC report, Mr. Karns explained that much of Michael Porter's work focuses on "traded clusters." Mr. Karns said we could debate how to define "clusters," but he summarized how the service and trade clusters combine. He added that, with all due respect to the state and to Dr. Porter, the Berkshires should probably focus on the smaller, but growing "clusters", or sectors, such as consulting, which is one of the entrepreneurial (non-traded) sectors.

Ms. Singer reminded everyone that the clusters don't include any sole-proprietorships (individual entrepreneurs). Mr. Karns noted that much of the plastics network started as small, entrepreneurial firms.

Mr. Karns said that the Berkshires have a very unique economy: from large employers like General Dynamics to individual consultants out of a barn in Alford. Pittsfield ranks 22<sup>nd</sup> out of 251 cities in percentage growth of export revenue.

Mr. Karns emphasized that Berkshire income levels have continued to slide farther and farther away from the state's averages and has recently fallen below the nation's average.

#### B) Region's Competitive Advantages & Disadvantages: SWOT

Mr. Vinette cited page 8 of the agenda packet in order to review the regional competitive weaknesses and strengths. He listed the strengths, and asked whether the committee felt these were comprehensive enough. He wished to reach a consensus.

Mr. Walto mentioned that the strengths don't emphasize the region's 200 years of manufacturing. Mr. Vinette said that the traded clusters may talk to that somewhat. He said that "tradition of innovation and manufacturing" could be highlighted in the CEDS strengths. Mr. Scullins pointed out that that would put the word innovation in the statement twice. Mr. Vinette asked if it were all right to take "innovative" out and leave the first strength as "...and creative culture." The committee agreed to that change.

Mr. Vinette asked the committee if the list reflects the strengths as the committee sees them. The committee agreed by consensus.

As for the regional competitive weaknesses, Mr. Karns reiterated the results from the 2001 SWOT, listed on page 8 of the agenda packet.

Mr. Marden and Mr. Haupt suggested including the deficits in transportation facilities, particularly public transit. Mr. Kerwood asked why this list prioritized the weaknesses differently from the RCC prioritized weaknesses. Mr. Karns explained that the list provided was not prioritized in any systematic way. He said that we can provide a more comprehensive SWOT sheet. The intent here, he noted, was not to go through a full SWOT analysis but to raise key points.

Mr. Marden said that the EDA addresses infrastructure in particular; he questioned why we shouldn't show it as a weakness. Mr. Karns said that the CEDS is intended to be comprehensive and that it must combine the various aspects of the region's weaknesses into global statements.

Mr. Kerwood did not have a problem with weakness number 2 on page 8. Mr. Vinette suggested adding the phrasing, "challenging infrastructure and transportation deficiencies."

Ms. Singer said that the workforce deficiencies (especially in the 18-40 age group) and missing skill sets were definite weaknesses. Ms. Singer and Ms. Boulger suggested the following language for another weakness listing: “Declining workforce and a disconnect between skills and available jobs.”

There was some discussion about the RCC briefing. Ms. McNulty-Vaughan noted that the RCC did not mention workforce among its weaknesses. Ms. Boulger noted that the revised briefing issued April 30, 2004 did in fact add workforce deficiencies to the RCC list. Ms. Singer reminded the committee that the RCC briefing relies only on traded clusters and not at all on sole proprietors, so it does not provide a “full picture” of employment in the region.

Mr. Rilla noted that in the plastics network, 80% of the job offerings are to replace an aging workforce. He noted that the skill sets have to be on line to fill the need. Mr. Kerwood agreed: he said that the Berkshires need at least a continuation of the jobs it does have, which is as important, he says, as creating new jobs. Ms. Singer noted that in addition to not maintaining skill sets, 30% of the kids entering high school in Pittsfield don’t graduate.

After some discussion, the committee agreed on the above language to address the workforce weakness.

Mr. Bissaillon suggested that, if the committee adds two additional main weakness statements, it drop the supporting statements under the two main weaknesses shown initially on page 8 of the agenda packet. He mentioned that that might match the RCC briefing better. Mr. Karns said that the committee is not simply editing the RCC briefing; he noted that the final CEDS document will include references to a broader variety of sources. Mr. Vinette said that the CEDS document will reference the previously established strengths and weaknesses of the CEDS 2001 report, for instance.

Ms. Boulger agreed with Mr. Bissaillon, saying that it may be better to accentuate the strengths and not overwhelm the strengths with the weaknesses. Mr. Vinette reminded her that the CEDS is not a marketing document; he added that the EDA is interested in a realistic analysis of the regions’s strengths and weaknesses, especially if the EDA is going to be considering funding to improve the region’s shortcomings.

Mr. Mulholland made the point that the statement, “The lack of a clear strategy...” also was a main theme of the April 30, 2004 RCC meeting. He argued that many of the specific weaknesses—the infrastructure, the workforce issues—could come under an umbrella statement about regional organization: “it’s important to be pointed in the right direction” before addressing the specific shortcomings.

Mr. Vinette agreed. He said that the issue of a clear lack of regional strategy is constantly brought by groups like this. He credited the Berkshire Chamber with responding in some ways to that weakness after it was highlighted in 2001 (primarily with the Chamber’s creation of a regional economic infrastructure webpage). He compared that regional, local effort favorably with the state’s website *Mass Means Business*, which listed only two infrastructure projects.

Mr. Mulholland noted that so many of the strengths and weaknesses are the same from 2001 except that then manufacturing was virtually taboo in favor of what was thought at the time to be a tech or “dot-com” revolution. He said that the Berkshires have come back around to manufacturing, yet the region still doesn’t have a comprehensive strategy. Mr. Bissaillon added that the current thrust of the Pittsfield strategy calls for new manufacturing jobs.

Mr. Karns reminded everyone that the CEDS must work towards a diverse economy because Pittsfield is not the “center of the world” and manufacturing may not work in every part of the county. Ms. Singer made the point that the Berkshires tend to make the mistake of trying to impose state and federal models on a rural area. She saw the need to break out of that way of thinking. She mentioned a Kellogg Foundation report, *Mapping Rural Entrepreneurship*, which described these arguments. Mr. Karns said the staff will add that report to the CEDS background document list.

Mr. Vinette responded to the need to combine the manufacturing and innovation sectors: he said the strategy for this region must be nimble enough to apprehend both. He asserted that all of the manufacturing jobs that ever existed in Pittsfield were the result of entrepreneurial innovation. He posed the question: how do we do that? You either lure the companies that manufacture or you develop entrepreneurial innovation that turns into manufacturing or other enterprises.

Mr. Rilla said that the high energy costs, transportation shortfalls, the high cost of local permitting, and the need for improved infrastructure generally stall the growth of industry in the region.

Mr. Vinette asked the committee if we should leave the comprehensive analysis of strengths and weaknesses for the final CEDS document. He recommended that this CEDS committee meet quarterly (instead of in “fire drill” meetings at the end of the year). He said that this is a different kind of group from counterparts because it’s a “down in the trenches group” made up of people working with economic development projects and issues in the region on a daily basis.

Mr. Haupt recommended moving on.

#### IV. Review of CEDS 2001

##### A) Action Plan

See below, under **Item V. Vision and Regional Goals**.

##### B) Project Priorities

This was not discussed at this meeting.

##### C) EDA Response

Mr. Karns reviewed the salient points of the EDA comments:

- 1) The EDA wants a *continuous* CEDS process.
- 2) Mr. Karns served as the chair of the Committee in 2001, but the EDA did not want him serving as staff *and* chair.
- 3) The report did not follow the sequence of the EDA guidelines per se, nor use definitively recognizable language that a reviewer could easily pick out while reviewing the document.
- 4) The document needs a more detailed discussion of the partners involved; Mr. Karns said that the staff will provide a comprehensive list of funding agencies that can tie into CEDS-related ED projects that may be of use to us (both state and federal)
- 5) The report and committee must follow up the prioritization of projects with an assessment of implementation with regard to the action plan.

Mr. Karns said he believed the 2001 document was a very credible document but did not comply with some of the details of the EDA requirements. He emphasized that the the staff and committee intends to meet all of those this time.

Mr Karns viewed the primary criticism from the 2001 EDA as the fact that we stated where we are (or were then) and not where we’re heading.

#### V. Vision & Regional Goals

##### A) Review

Mr. Vinette explained that the committee needed to review the shortcomings of the 2001 Vision statement and develop and approve a revised version, based on the draft proposal Vision provided on page 4 of the agenda packet.

## B) Modify/Revise

The Committee discussed all the various language changes they wished to make to the proposal and debated how similar it should be to the examples given on page 4 of the agenda packet.

Mr. Haupt expressed his approval of the term “sustainable prosperity for local residents” in the draft 2004 Vision statement. Ms. Cesan liked the 2004 proposal but suggested shortening it. In fact, she recommended removing the clause containing “for local residents...” Mr. Kerwood asked about excluding the phrase “metropolitan proximity and rural serenity.” Ms Singer felt the Vision could be short and sweet. Mr. Rilla presented a one sentence proposal.

There was some discussion about how generic the Vision statement should be. Mr. Marden asked whether or not the committee should make the Vision specific to our region. The committee agreed that many of the specifics listed in the draft were strengths but that they didn’t necessarily need to be in the Vision.

The committee agreed on the following 2004 Vision statement: “The Vision for the Berkshires: A diverse and robust economy, capitalizing on the region’s unique combination of industrial and intellectual vigor, and natural and cultural resources, that creates a sustainable prosperity.”

Mr. Haupt moved to approve. Ms. Boulger seconded the motion. The committee approved the revised Vision statement unanimously.

As for the goals, Mr. Vinette asked the staff whether or not there were specific comments from the EDA on the 2001 Goals. Mr. Falcier explained that the comment appearing on page 4 of the agenda packet applied, as far as the staff could tell, to the entire Vision/Goals/Action Plan section of the 2001 document. He explained that the questions listed in the EDA comment most likely will be answered in the Goals subsection, simply because the Vision is so brief. The main issue with the 2001 section was that the Vision did not strike the proper “action tone” or forward perspective; Mr. Falcier suggested that the 2001 Goals did in fact meet most of the CEDS guidelines but that since the comment and questions were included in the EDA review it made sense for the 2004 committee to review and if necessary revise the Goals with respect to the EDA questions.

Ms. Singer suggested that in order to meet the EDA requirements, we include the milestones in the goals. She also made the point that the goals should be realistically achievable. Mr. Kerwood suggested posing the question, “Why?” or “How?” after each goal. Ms. Cesan made the point that the goals should tie into the Vision statement.

Mr. Vinette asked whether the 2001 CEDS document included an action plan that tied into the goals. Ms. McNulty-Vaughan made the point that the Vision and Goals must be connected better and that those two elements must then be connected to the Action Plan. Mr. Karns suggested the discussion of the suitability of the 2001 Goals be discussed at the next meeting with the benefit of the 2001 Action Plan for reference.

Mr. Kerwood suggested adding some mention of housing to the 2001 statement of the goals. Regarding Goal 4, he mentioned the notion of affordable housing stock. Mr. Karns noted that this element of the Goals could be tied into the infrastructure weakness discussed earlier.

The committee agreed to revisit the goals at the next meeting, after reviewing the Action Plan.

## VI. Introduction to Project Evaluation & the Initial Project Brief

Mr. Karns explained that one of the shortcomings of the 2001 process was that the committee combined the review of projects with the prioritization. This time we’d like to have a fuller understanding of the variety of projects and then consider their appropriate place and schedule in a comprehensive strategy.

Mr. Karns put all the Committee members on notice about soliciting projects throughout the county requiring public funding. Mr. Bissaillon asked whether the Committee should worry if the funding is state, federal, or any other source. Mr. Karns said projects with funding sources of all kinds are welcome at this stage.

Mr. Karns said that one of the goals of this CEDS is to have a document that we can take to state and federal legislators and say, "Here are our regional priorities." It will help us help them to find the appropriate funding mechanisms for Berkshire projects.

## **VII. Next Meeting**

One of the main objectives of the next meeting will be project evaluations—a "how-to" session, in effect. Several weeks later, we need to review all the projects that come through to the committee. The committee can then prioritize the projects and set an action plan.

Mr. Vinette explained that the new approach for review will be for each committee member to fully understand the nature of each project before attempting to prioritize.

The committee agreed to meet Thursday, May 13, 2004 at 8:30AM and tentatively on Thursday, May 27, 2004.

Ms. Cesan asked about the possibility of sending alternates to represent the organizations on the committee if the delegates are unavailable. Mr. Vinette said that he did not see a problem with that, granted that the alternate is fully briefed on the previous meetings and is willing to brief the delegate and organization after the meeting.

The meeting was adjourned at approximately 10:24AM.