



FEDERAL RESERVE BANK OF PHILADELPHIA

---

**Economic and Community Advisory Council  
November 19, 2018 – Meeting Summary**

The Federal Reserve Bank of Philadelphia’s Economic and Community Advisory Council (ECAC) convened in November for its final meeting of 2018. The ECAC consists of national and regional leaders from a broad range of perspectives encompassing business, philanthropic, and community development voices. The council’s most recent meeting was held at Drexel University in Philadelphia and was hosted by Drexel President John Fry, who served as the council’s chair in 2018.

The meeting began with a presentation from Ashley Putnam and Noelle St.Clair from the Reserve Bank’s Community Development and Regional Outreach team. Putnam and St.Clair updated the council on a workforce development initiative underway through the Bank’s Economic Growth and Mobility Project, which has resulted in the launch of an innovative pilot program aimed at addressing skills mismatch issues in the city of Philadelphia. The ECAC was a crucial source of input and guidance during the development of this initiative and is eager to build on the progress made on this issue to date.

Transitioning to the core of the meeting’s agenda, the council heard a presentation from Jeff Brinkman, a senior economist with the Reserve Bank’s Research Department and a senior advisor to the ECAC. Brinkman presented his research on the network effects of cities and why an increasing number of highly educated young workers are living in urban areas. His remarks included a descriptive analysis of these trends and what they mean for labor market dynamics in cities of different sizes. He discussed the role that amenities play in attracting young workers to cities, as well as the transition away from cities with sector-specific specializations to those with functional specializations.

Harris Steinberg and Alan Greenberger, researchers with Drexel University’s Lindy Institute for Urban Innovation, continued to advance the group discussion, homing in on market dynamics in the Philadelphia region and highlighting approaches being employed to ensure equitable and sustainable progress. The Lindy Institute focuses on innovative strategies to promote equitable growth in cities, in line with Drexel’s commitment to civic engagement.

Their remarks emphasized the role of place-based development and creative placemaking and how these ideas have impacted development in Philadelphia specifically. They remarked on the importance of maintaining long-term, intentional mindsets when crafting



FEDERAL RESERVE BANK OF PHILADELPHIA

---

development plans and spoke specifically about the development efforts in Philadelphia's University City neighborhood over the past 20 years.

Council members expanded upon these engaging presentations reflecting conditions in their industry sectors and markets. Much of the conversation revolved around leveraging the lessons learned about place-based development to attract highly educated workers to smaller cities. Several members from such communities noted that they have seen progress along these lines already, as development of amenities and other benefits in smaller cities have attracted companies to move their headquarters, bringing their workforces with them.

Building off of this discussion, council members noted the importance of targeting development efforts to reach communities most in need. While attracting young, high-skilled workers to cities is important, several members emphasized, attention must be paid to the ways in which these changes impact existing communities. Members also suggested that development of amenities must include public resources like education and infrastructure in order to create lasting impact for communities in need. While development initiatives create economic growth, members noted that the intended beneficiaries and ultimate goals of said initiatives must be defined so as to create equitable, sustainable outcomes for all communities impacted.

At a higher level, these topics fueled conversations about using development as a means to reframe the narratives that define cities and communities. At both macro and micro levels, members emphasized, public and private investment can be used to change the trajectory of a community. Members noted examples of this in their own cities and challenged the Fed to use this mindset as a barometer when addressing development initiatives. Additionally, members underscored the importance of balancing worker retraining with recruitment of new talent. Investing in local workforces should not take a backseat in these conversations, and public and private actors have a responsibility to prioritize local development in this context.

These conversations provided vital insight for Fed research and outreach staff, who are engaged in regional economic development work along a number of dimensions. The meeting concluded with a tour of the ExCITe Center, an interdisciplinary makerspace on Drexel's campus. Dr. Youngmoo Kim, the center's director, led the tour. He emphasized the importance of interdisciplinary approaches to solving challenging problems and demonstrated this mindset through some of the exciting developments underway at the center. This collaborative, creative approach to problem-solving is crucial to addressing the complex economic challenges



FEDERAL RESERVE BANK OF PHILADELPHIA

---

discussed at this meeting, including the impact of technological change on the skills required of workers in today's labor force. This topic, and more specifically the impact of automation on the future of work and employment, was a central point of conversation at the meeting. The Federal Reserve Bank of Philadelphia has researched the topic extensively in recent months, concluding that a large number of jobs in the Third Reserve District will be vulnerable to automation in the coming years. Council members echoed this concern, noting changes in their respective sectors and regions. Dr. Kim's approach at the ExCITe Center provides a blueprint for instructing students and workers in an era of rapid technological change. Council members and Fed staff left the tour eager to apply this mindset to promote stronger, more equitable economic prosperity throughout our region.