

# WATERBURY

INNER CITY BUSINESS STRATEGY INITIATIVE

CREATING JOBS, INCOME, AND  
WEALTH FOR INNER CITY RESIDENTS



# CREATING JOBS, INCOME, AND WEALTH

## A market-oriented approach

The Waterbury Inner City Business Strategy Initiative is a bold effort to tackle the city's most pressing challenge – extending today's economic prosperity to citizens who have been left behind. In a unique collaborative effort, business, government, and community leaders in Waterbury have worked together to identify market-based opportunities for inner-city business growth that can create jobs, income, and wealth for local residents.

The Initiative represents an entirely new approach to inner-city revitalization. Rather than focusing on barriers to development, this approach identifies and taps the economic competitive advantages inherent in Waterbury's inner city and emphasizes private, for-profit business development.

From June to December 1999, Waterbury leaders have worked with the Initiative for a Competitive Inner City (ICIC), a national nonprofit organization founded by Harvard Business School Professor Michael Porter, to conduct a rigorous assessment of Waterbury's existing business base and its business environment. Their efforts have resulted in a strategic action plan for inner-city business growth and job development. Frederick Luedke, President of NEOPERL, Inc., has championed this effort, committing his personal time and attention to ensuring its success.

In less than one year, the Waterbury Inner City Business Strategy Initiative has accomplished the following results:

- More than 50 corporate, government, and community leaders are actively committed to inner-city economic development and ready to drive recommendations to implementation.
- More than 50 interviews have been conducted with inner-city companies, providing in-depth knowledge of the competitive advantages and disadvantages specific to Waterbury's inner city.

- A detailed analysis of Waterbury's inner-city economy, based on the industry clusters that drive its growth, is now available to guide decision-making.
- Detailed strategies and action plans have been developed for inner-city business growth in Waterbury's three key clusters: precision metal manufacturing, financial services and health care.

## A call to action

The recommendations that follow present a clear timetable, laying the groundwork for action, accountability, and results. But recommendations alone are not enough. They must lead to action by community, business, and government leaders.

The Advisory Board urges leaders from all three sectors to join in an unprecedented collaboration to pursue results. With today's strong economy, there has never been a better moment to harness the power of free markets to renew Waterbury's inner city, creating sustainable economic opportunities for its residents.

# RECOMMENDATIONS

---

Waterbury's action plan for inner-city revitalization focuses on bolstering the following three key building blocks of inner-city economies: competitive urban businesses, competitive inner-city residents and a competitive city environment.



## I. BUILD COMPETITIVE URBAN BUSINESSES

---

### Create a Manufacturing Leadership Group

The primary cluster located in the Waterbury region is precision metal manufacturing. This cluster currently employs more than 8,000 people, comprising about 10 percent of the regional employment. At a time when manufacturing employment has generally been in decline in the United States, the precision metal manufacturing cluster has been adding jobs in the region, attesting to its continuing strength and importance.

In order to meet common needs of Waterbury manufacturers and boost that cluster's competitiveness, a Manufacturers Leadership Group (MLG) can be formed to promote manufacturing in the region and provide outreach to area firms. The following strategies will enhance the effectiveness of the MLG:

- Create a full-time staff position.
- Partner with local and state resources, such as Naugatuck Valley Community College, CONN/STEP, the Flexible Manufacturing Networks Center, and others.
- Use the MLG as a forum to address manufacturing training issues.
- Use the MLG as a forum for bolstering the image of manufacturing as an economic engine and a desirable career choice.

#### Objectives for 2000-2003:

- Retain Waterbury's base of more than 100 inner-city manufacturers and 3,500 manufacturing jobs.

- Form at least two industry- or cluster-specific networks to foster local collaboration.
- Create at least two new employer-driven training programs, serving hundreds of inner-city residents.
- Launch a manufacturing career outreach program reaching 200 inner-city high school seniors annually.

### Improve opportunities for entrepreneurship

Improvements in job training must be combined with programs to enhance opportunities for entrepreneurship in the inner city. By promoting and supporting entrepreneurship, Waterbury can increase its small business base and stimulate wealth creation and investment in the inner city. Specific activities to be undertaken include:

- Creating an inner-city revolving loan fund.
- Increasing bilingual business assistance services.
- Adding one or more business incubators.

#### Objectives for 2003:

- Provide 50 businesses with access to gap financing.
- Train 250 people in entrepreneurship through the expansion of seminars.

## II. DEVELOP COMPETITIVE RESIDENTS

### Institute a comprehensive job-readiness program

Almost all firms in Waterbury could benefit from increasing the quantity and quality of the entry-level workforce. Moreover, many of Waterbury's poorest residents could benefit from increased access to job opportunities. The following strategies are proposed to develop a more comprehensive job-readiness training program in Waterbury:

- **Proven providers.** Bring in a proven organization such as STRIVE – one of the most successful models in the country for job-readiness training – to provide a fresh, comprehensive approach.
- **Retail training.** Link retail jobs with training efforts through an employment center in the Brass Mill Center, ongoing dialog with retail businesses, and a retail incubator. The retail sector is the largest source of entry-level jobs in Waterbury.
- **Certificate program.** Implement a certificate program for workers who master basic job skills to assist upward mobility. Workers would be certified in two levels and three areas of service sector competency and provided with certificates they can present to future employers.
- **English as a Second Language (ESL) needs.** Emphasize ESL in job readiness programs to better serve Waterbury's Spanish-speaking population.

### Create or enhance skills training in the three clusters selected for this project

Creating or enhancing training programs in precision metal manufacturing, financial services, and health care can boost the competitiveness of Waterbury's growth industries and provide better job opportunities for inner-city residents. The following strategies are proposed for augmenting skilled training in the three clusters:

- **Create cluster committees focused on training.** Industries should be involved in designing the training programs through committees such as:
  - **Precision Manufacturing:** Manufacturing Leadership Group
  - **Health Care:** a new Regional Healthcare Collaborative
  - **Financial Services/ Information Technology Zone (ITZ):** Waterbury Opportunities Industrialization Center (WOIC), Naugatuck Valley Development Corporation, business representatives

- **Strengthen existing skills training programs and resources rather than creating new ones.** Existing Waterbury training providers offer a variety of programs. The major need is to ensure that these programs respond to industry needs and that industry is aware of what is available. A model partnership is the Technical Training Center (TTC) created by Waterbury Adult Education through work with local eyelet manufacturers. While TTC is a true success story, the current facility is too small to accommodate the full demand for its services. It is also located far from many of its customers. With strong private-sector involvement, TTC should be relocated to a vacant inner-city site that can accommodate expansion and is capable of housing industrial equipment.

#### Objectives for 2003:

- Provide hundreds of unemployed or underemployed inner-city residents with skills training in the three cluster areas.
- Provide hundreds of inner-city workers with skills training that allows them to move ahead in their current jobs.



## III. CREATE A COMPETITIVE CITY

---

### Increase site availability for new business development and business expansion

A critical barrier to business growth in Waterbury is the lack of space available for business expansion. The bulk of industrially zoned land that is free of topographic constraints is either known to be or suspected of harboring contamination. Fear of environmental liabilities has deterred investors from purchasing and remediating available land. The following strategies have been suggested to increase the viability of commercial and industrial properties throughout the city:

- **Address brownfields issues.** Brownfields limit the redevelopment of much of Waterbury's industrial land. Working through the Naugatuck Valley Brownfields Pilot, a coalition of local and state actors should continue efforts to redevelop these otherwise valuable development sites, concentrating on those with the most development potential.
- **Address liability issues.** The State of Connecticut should continue its ongoing efforts to adopt state-of-the-art legislation removing barriers to private-sector investigations, remediation, and redevelopment.

- **Pursue site acquisition for new office development in the Information Technology Zone (ITZ).** The ITZ is a powerful incentive tool that can be coupled with planning to attract new office development for firms that cannot operate in existing Class B and C space. A new office site would allow ITZ marketing efforts to go forward with a full range of "products" available to interested firms.

#### Objectives for 2003:

- Increase available land for development by 100 percent.
- Develop a detailed, prioritized redevelopment strategy for 100 acres of currently unusable land.

## MOVING FORWARD

---

In less than one year, this Initiative has created unprecedented consensus and momentum behind inner-city revitalization across the city. Success will require sustained commitment across multiple constituencies to harness energy, resources, and leadership. By resolving to support these strategies and stimulate ongoing commitment, Waterbury will make tremendous strides in advancing the economic prosperity of its inner-city residents.

By taking decisive action to implement this strategy, Waterbury can:

- Prepare hundreds of inner-city residents to compete for skilled jobs with strong career paths and opportunities for advancement.
- Boost the competitiveness of its inner-city business environment, facilitating business growth and attracting new business.

- Create a strong base of inner-city businesses with access to the resources and assistance they need to expand and adapt to competitive pressures.
- Develop a pool of inner-city entrepreneurs poised to take on new business opportunities.
- Solidify ties among business, government, and community leaders, building the institutional infrastructure needed to promote and sustain long-term business development.
- Fundamentally alter the opinions and attitudes of customers, investors, and business professionals regarding viable business opportunities in Waterbury's inner city.



805 Brook Street  
Building 4  
Rocky Hill, CT 06067-3405  
800-392-2122  
[www.cerc.com](http://www.cerc.com)



Industry Cluster and International Division  
505 Hudson Street  
Hartford, CT 06106  
860-270-8018  
[www.state.ct.us/ecd](http://www.state.ct.us/ecd)