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# Saint Elizabeths Redevelopment Initiative

## LEVERAGING THE DHS CONSOLIDATION AT ST ELIZABETHS

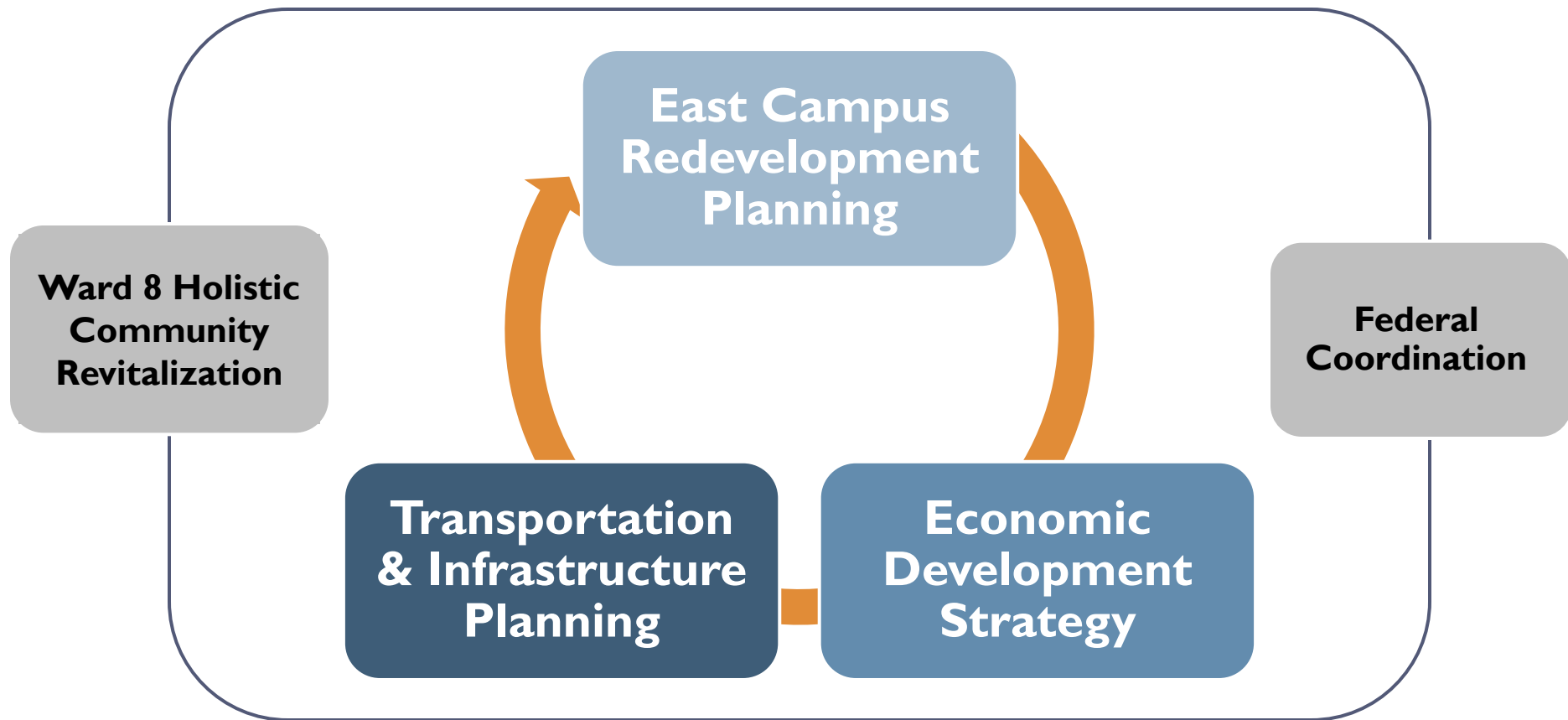
## DC INNOVATION STRATEGY

Partner Briefing, Spring 2012

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# SERI Project Components

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# Innovation Strategy Overview

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- ❑ Key component of Economic Development Strategy for St Es
- ❑ Leverage consolidation of DHS in order to stimulate economic development
  - ✓ Promote innovation, **entrepreneurship**, workforce development and education
  - ✓ Link residents and local businesses to opportunities
- ❑ Supported by federal grant and led by OP and DMPED, in collaboration with:
  - ✓ **Researchers** and **practitioners** from Virginia Tech and Carnegie Mellon University
  - ✓ **Agencies** and **partners** (e.g. DHS, GSA)
  - ✓ Assistance from **industry experts** and input from private sector and civic stakeholders



# Innovation Research Tasks & Status

## Research Tasks

## Goals

## Strategies

Stakeholder Engagement



Task 1:  
DHS Economy & Assets



- Competitive position of District
- Matching Ward 8 and DC assets with DHS assets

Task 2: Best Practices & Hub  
Blueprint



- Lessons from other innovation clusters
- Lessons to inform development of blueprint
- Tie-in to campus master planning effort

Task 3: Opportunity  
Screening



- Analysis of specific programs
- Viability of incubation, commercialization, R & D, workforce development, education opportunities

Task 4: Implementation  
Roadmap & Final Report



- Implementation strategy
- Action roadmap

**Connection  
between Anchor  
& Local Economy**

**Business  
development,  
R & D**

**Education**

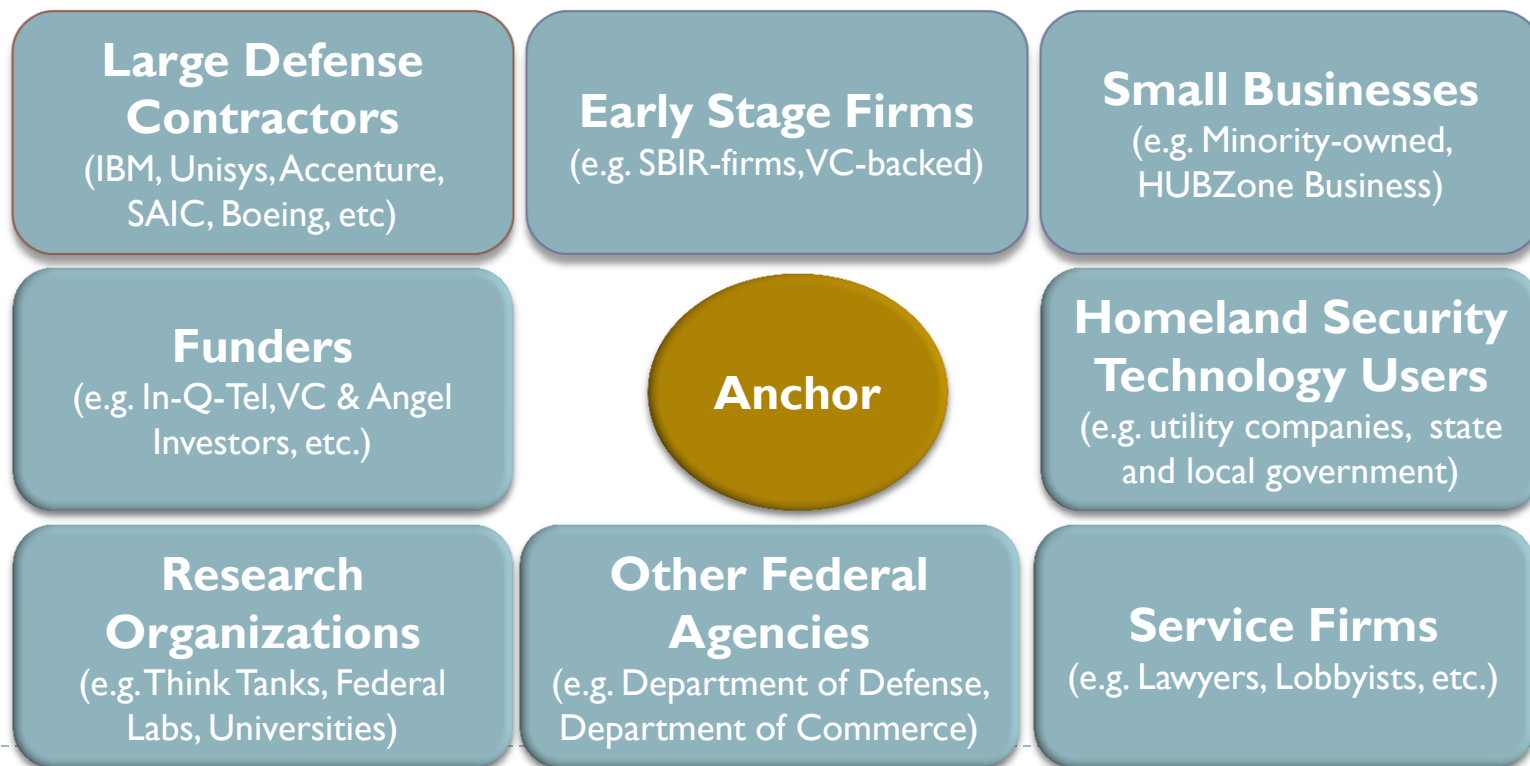
**Workforce  
development**

**Real Estate**

**Support  
Infrastructure**

# Defining the Homeland Security Cluster

- ▶ DHS as anchor institution (procurer, funder, innovator, standard setter, policymaker, etc.)
- ▶ DHS as major employer and purchaser (directly and indirectly)
- ▶ Application and development of products and services (e.g. surveillance, detection, protection)



# The Opportunity for Innovation

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## Innovation Marketplace

- Total DHS procurement in region over 5 year period = \$37bn; DC captured 42%
- Top vendors in DC specialize in systems integration & solution, IT, cyber, infrastructure, emergency preparedness
- Regional strengths in defense, technology, federal contracting and corporate venture capital

## Talent Base

- 14,000 DHS jobs relocating to St Es
- 93% DHS jobs require advanced degree and/or several years experience = talent attraction
- Highly educated and skilled workforce in region

## Education

- DC and region's STEM education pipeline is growing
  - University presence in region, with academic expertise in homeland security
  - Educational facilities and labs, with R & D capacity, intelligence infrastructure, biotech corridor
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# Challenges for DC Innovation

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## Innovation Marketplace

- DHS is funding small innovative companies, but DC has not received any DHS SBIR funding; lack of qualified firms and limited entrepreneurial infrastructure
- Patenting activity is very low in DC compared to region, region overall has relatively low commercialization rates
- Government procurement often slow and does not foster development of start-ups

## Talent Base

- Limited number of DC-based DHS jobs at lower skill levels
- Sharp contrasts within region in terms of skills
- Many under/unemployed DC residents not qualified or trained for the range of security and innovation jobs (current and future)

## Education

- Secondary school curriculum not tied closely enough to job market demands, few targeted HS programs in DC
  - Overall educational attainment rates east of river are low
  - Limited university-based incubation and commercialization; need to improve linkages with industry
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# Solutions

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Findings highlight the need to -

- ✓ Focus on the broader **innovation** sector (not just security/federal)
  - ✓ Build an environment that grows the **entrepreneurial** and **talent capacity**, particularly east of the river
  - ✓ Establish **partnerships** and **networks** with private, public and non profit sectors that can help **launch** and **connect** business and talent programs
  - ✓ Leverage visibility of DC as a place for **demonstration**, showcasing and testing of ideas
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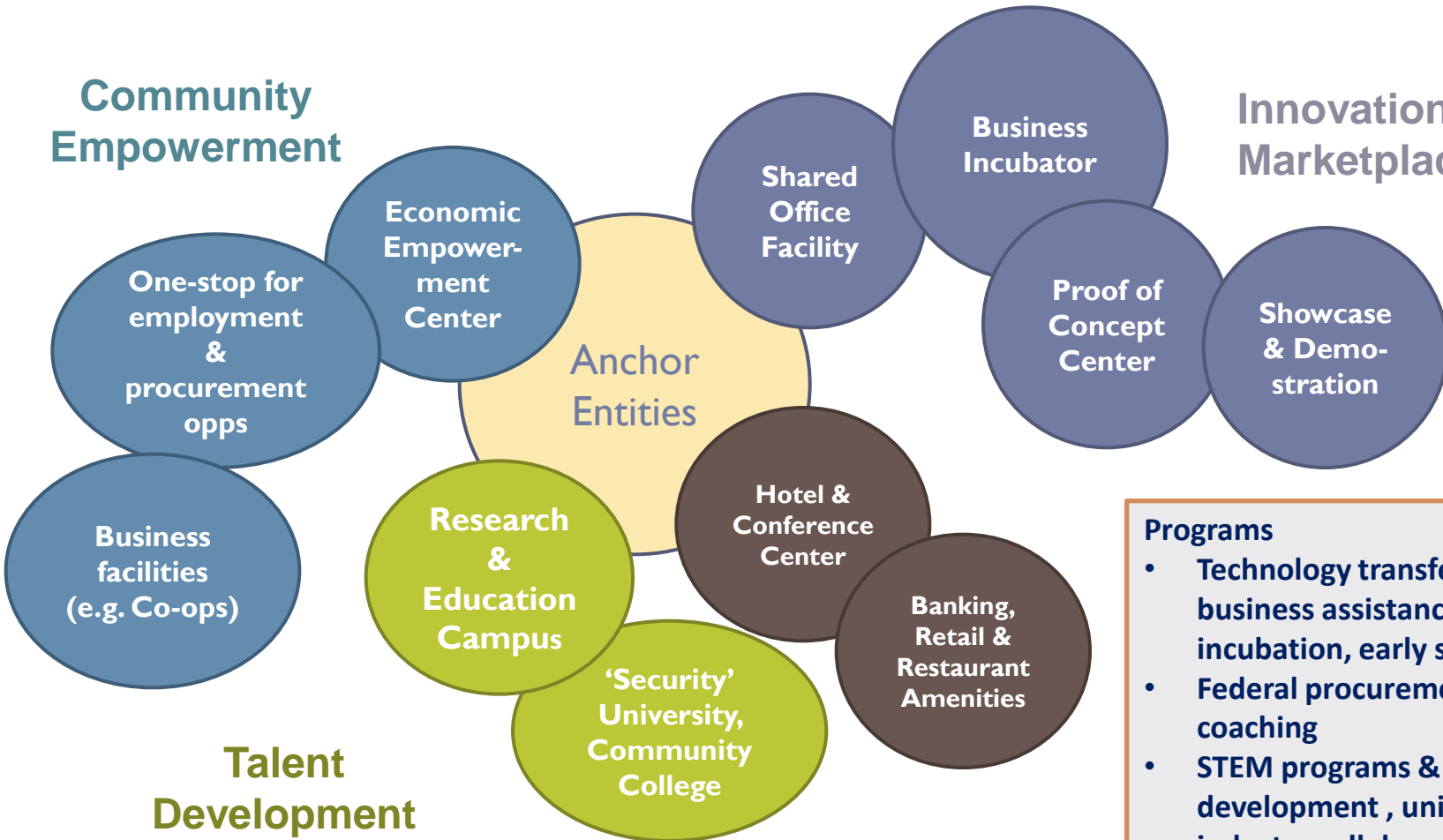




# Components of an Innovation Hub

## Community Empowerment

## Innovation Marketplace



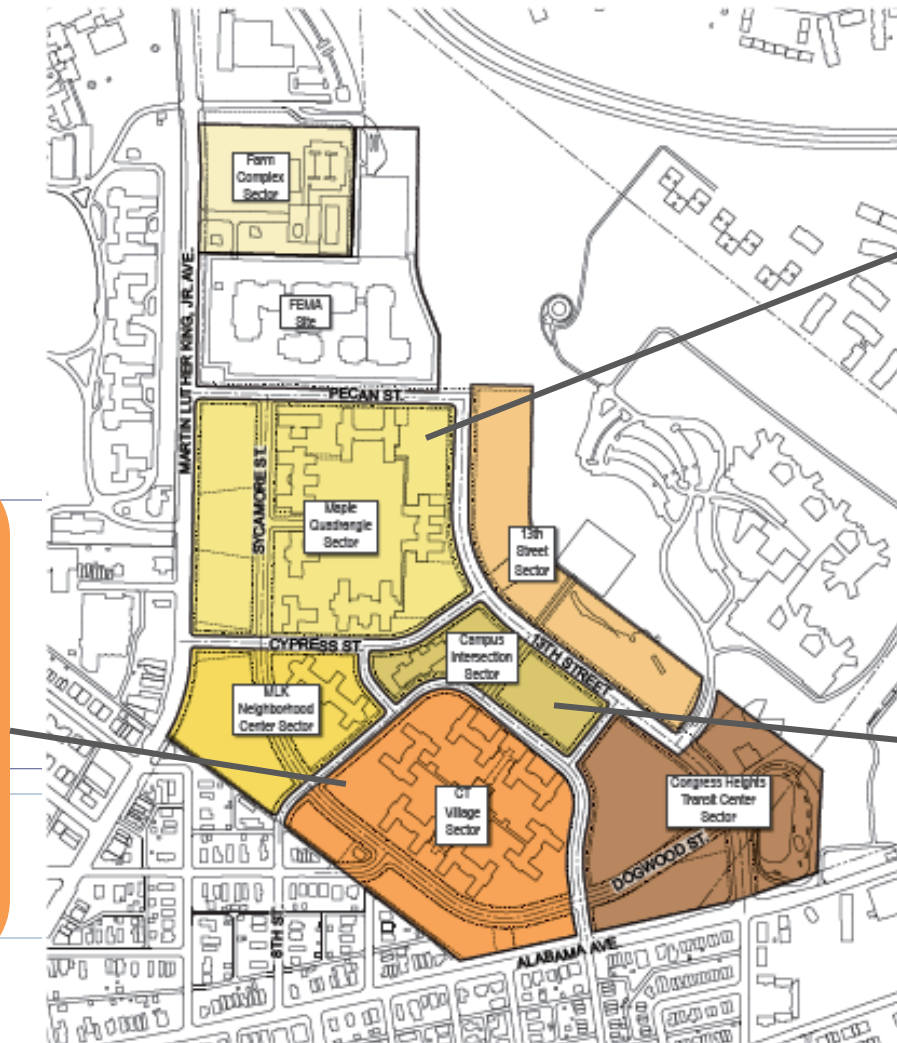
### Programs

- Technology transfer, small business assistance, virtual incubation, early stage financing
- Federal procurement & SBIR coaching
- STEM programs & career path development, university-industry collaboration
- Mentoring & internship, employment matching

# Master Plan inclusion of Innovation Hub

## Community Technology (CT) Village – linking community to innovation

- Entrepreneurship, small business support services, business start-up assistance
- Talent development, job training, placement & internships
- Education, Community college, University



## Private Sector & Commercial Uses

- Large-scale office space
- University
- Research institution
- Small-scale office space
- Start-ups & Incubators

## Support Functions

- Hotel
- Conference center
- Retail

## Production

- Technology transfer
- Commercialization
- Small-scale production & assembly
- Technology testing & evaluation
- Prototyping
- Proof-of-concept center

# Strategies – Overview

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## Innovation Marketplace

Goals	Sample Strategies
Encourage entrepreneurship and small business development	<ul style="list-style-type: none"><li>• Virtual and physical business incubation, Small Business Technical Assistance Center, Strategic partnerships, Mentoring</li><li>• Early-stage financing, Gap Fund, Business associations</li></ul>
Promote access to Federal contracting opportunities	<ul style="list-style-type: none"><li>• SBIR coaching and training, Procurement workshops</li><li>• Informal networking and exchange</li></ul>
Develop facilities that foster collaboration and networking around technology	<ul style="list-style-type: none"><li>• A “Security University,” Proof-of-concept and prototyping center, Technology testing and evaluation center</li><li>• Venues for networking, conferences, tech-based laboratories</li></ul>
Support a regional innovation cluster	<ul style="list-style-type: none"><li>• Federal proximity preference in contracting</li><li>• Designated Innovation Zone</li></ul>

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## Community Empowerment

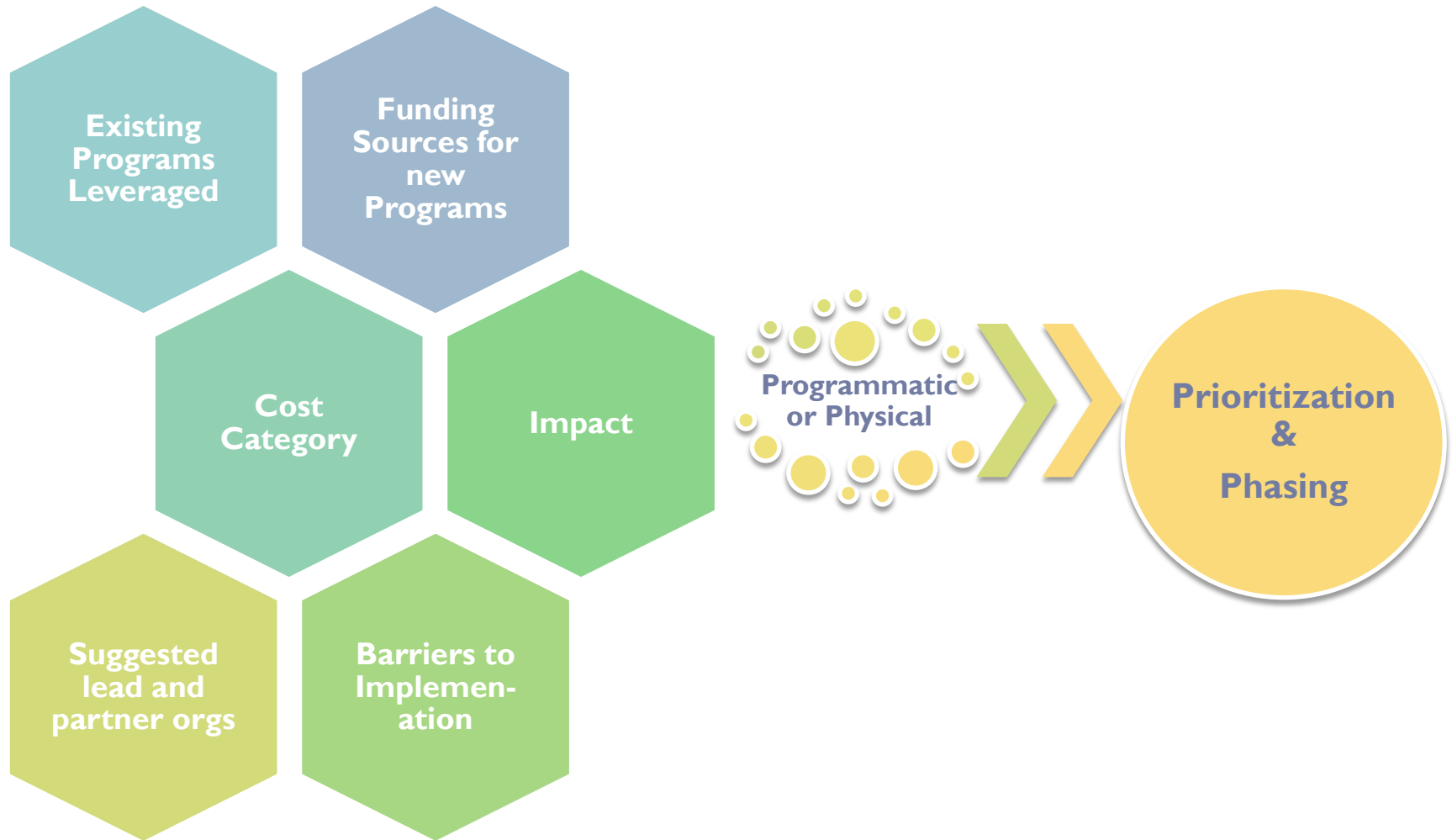
Goals	Sample Strategies
Build local workforce and entrepreneurial capacity	<ul style="list-style-type: none"> <li>• Economic Empowerment Center</li> <li>• Entrepreneurship and workforce training programs</li> </ul>
Promote entrepreneurship	<ul style="list-style-type: none"> <li>• Microfinancing, Cooperatives business strategy, Community development financial institutions and programs</li> <li>• Shared kitchen workspace and culinary incubator</li> </ul>
Support economic and neighborhood revitalization	<ul style="list-style-type: none"> <li>• Internships for business school students</li> <li>• Mixed-use urban center</li> </ul>

## Talent Development

Goals	Sample Strategies
Post-secondary and career pathway programs	<ul style="list-style-type: none"> <li>• Community College satellite location, 'Security University,' Internship programs, Industry-school partnerships, Workforce training</li> <li>• K-12 career and summer/after-school programs,</li> </ul>
Streamlined employment matching	<ul style="list-style-type: none"> <li>• 'Employment Opportunity Clearinghouse,' Integrated workforce development and job training</li> </ul>
Workforce retention and skill-building initiatives	<ul style="list-style-type: none"> <li>• Certificate and retention programs, Continuing education</li> </ul>

# Strategy Screening Criteria

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# Strategy review – stakeholder approach for Tasks 3 & 4

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# Next Steps

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- Review of strategies, including local and federal government, Advisory Board, private and non-profit sectors
  - Identification of pilot and phase one projects
  - Producing implementation roadmap & final report
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# Discussion Questions for Next Meeting

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- Which strategies would you prioritize?
  - Which strategies are ‘low hanging fruit’ i.e. can be undertaken quickly?
  - Are there gaps in the strategies?
  - What is your organization’s potential role in implementing strategies?
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