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THE RIPPLE EFFECT

Stories of purpose and lasting impact

From crisis to coalition ... to the cosmos

How Deloitte helped launch a space-age economic revival on California's Central Coast

COST OF LIVING: **UP.** MAJOR EMPLOYER: SHUTTING **DOWN.** TIME TO **GET STRATEGIC.**

THE SITUATION

Say you're up in space and happen to look down on California's Central Coast—there, hard by the ocean surf, you might be able to make out the top private-sector employer in San Luis Obispo County. What you *won't* be able to see is that a few years ago this employer was slated to be shut down.

Nor could you see how—even before the announcement—workers there (as well as other locals) were struggling economically to stay where they grew up. You couldn't see the sense of deep distress. And you definitely couldn't see how the region might get itself out of this pickle.

But back here on Earth, in 2019, you *could* see Melissa James of the SLO County Chamber of Commerce start to try. First, by helping convene local business, government, academic and community leaders to start conversations about how to address the crisis, and to build a shared concept of regionalism. (As in: Never mind that the crisis spans two counties bigger than the state of Connecticut, with 15 cities and dozens of unincorporated communities. Civic boundaries are no more relevant to the crisis than can they be seen from space.) Next, she was helping coalesce these early stakeholders into a working team, dubbed *the Hourglass Project* (as in: time's running out). And then ... what?

"I'd just gotten up on a big stage to say we're going to start this organization," James recalls now. "It's been announced, it's in the paper. Then there was this moment: *Okay ... now we need to double down and really get to work.*"

She knew they'd need help, but from whom? Again, she just started trying. And so, from a dead start and then a connection with someone at Deloitte, she ultimately connected with the organization and its [Government and Public Services](#) professionals.



THE SOLVE

There was so much to do, everywhere, and all at once. Like form a proper organization—with funding and governance and goals and accountability—to represent diverse regional interests. And create a brand for said organization, to rally support. And of course, build a strategic plan to address the crisis.

With Deloitte as a collaborator and facilitator, Melissa and team hosted multiple (multiple!) regional workshops, exploring scenarios with over 1,000 political, business and local stakeholders for what the Central Coast's next economic chapter might look like. That might sound straightforward.

"It's not hard to find alignment within one organization," James points out, "but our region has 90 elected officials, and that's just the political side. Trying to bring alignment to this type of variety is *really* hard."

Deloitte also helped conduct research and analysis; the region is home to the nation's West Coast space launch range at Vandenberg Air Force Base (renamed Vandenberg Space Force Base (VSFB) in 2021), a polytechnic university, startups ... what other economic assets might the region be able to amplify? Fast forward to 2020, and a master plan had taken shape: To develop ventures in and adjacent to commercial space exploration—a market that's projected to grow to \$1 trillion by 2030—with the infrastructure, manufacturing, education and skilled talent pipeline to support them, as well as a nonprofit to coordinate it all.

That's how the Hourglass Project became the nonprofit

[Regional Economic Action Coalition](#) (REACH), and Melissa James its President & CEO.

(Deloitte had also, in parallel, convened a series of [Greenhouse® Labs](#)—custom-designed, immersive experiences for digging into complex issues and getting to breakthroughs—to help people think through implementation details. Details like multi-stakeholder agreements, work and funding plans, and commercial partnerships for VSFB.)

Finally, it was decided: REACH and the plan were ready to officially launch.

"We had this day all set," James recalls. "There'd be a press event at Vandenberg Space Force Base with the Wing Commander, and the Governor's Senior Economic Adviser, and senior leaders from Deloitte and REACH, and we'd sign this memorandum of understanding (MOU). Then there'd be a conference with 30 different speakers, then a dinner ..." (and here her voice breaks a little) "... And that day was the day schools closed, and the world shut down. So none of it happened, the printed plans went back in the box, and it seemed like the work might not see the light of day."

(Fast forward some more: REACH pivots to support the region's COVID response, helped in no small part by the collaborative network they'd just established. The master plan and Vandenberg MOU are launched virtually later that summer, at which point REACH is also pursuing adjacent partnerships in the clean tech and semiconductor industries.)

THE **ADDRESSABLE MARKET** LAID OUT IN THE
2030 MASTER PLAN: **\$1 TRILLION**

THE IMPACT

The [REACH 2030 plan](#)—followed by the [VSFB Commercial Space Master Plan](#)—aren't just road maps; they're a reality. And they're happening thanks to the unique coalition—including REACH, the Space Force, California Polytechnic State University (Cal Poly), the Governor's Office of Business and Economic Development, the County of Santa Barbara, and Deloitte—that started with the Hourglass Project.

REACH initiatives—like developing the space industry, modernizing infrastructure, creating a regional talent pipeline, enhancing quality of life and affordability, and fostering regional alignment—have all gained traction.

Over 100 companies benefit from these initiatives today, with high-paying jobs secured—a significant boost to the regional economy. To wit: the State of California is creating a space industry task force—as called for in the master plan—and awarding \$60 million in tax credits to two companies expanding at VSFB. The nearby city of Paso Robles is also leaning into the regional strategy, having already secured letters of intent from international companies to support a horizontal launch spaceport at its underutilized airport.

Meanwhile, commercial (and vertical) space launches from VSFB have, well, taken off: from nine in 2020, to 50 slated 2024, and a hundred projected by 2026, with VSFB officials in talks with even more launch providers.

(In fact, launch activity got so busy so quickly that VSFB started experiencing bottlenecks in processing

payloads. REACH then secured \$80 million in federal funds to ease the, well, load, and start a mission development zone—also as detailed in the master plan.)

And these are only the early successes; REACH and Deloitte anticipate continued, regional economic development across other emerging growth sectors and industries. To wit: Through the Jobs First Program in the State of California, with REACH as lead partner of the Uplift Coalition, six counties and community-based organizations are driving plans for a resilient and inclusive Central Coast, with Deloitte acting as a lead strategic adviser.

“The groundwork Deloitte did back in 2019 is still spot-on today,” notes Sally Buffalo Taylor, Communications Director at REACH. “They helped the community and region get to the root of issues and address them in a timeless way. Even after a global pandemic, and everything else that’s happened, the work’s still very relevant and we talk about it every day.”

“On a personal level,” adds Melissa, characteristically highlighting the people part, “we call them our Deloitte family.”



HIGH-PAYING JOBS: SECURED

LET'S CONNECT.

Do these challenges sound familiar?



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