



The IEDC  
Economic Development Journal

734 15th Street, NW Suite 900 • Washington, DC 20005

Volume 15 / Number 4 / Fall 2016

## Mr. California Economic Development: Wayne Schell

*By Paul Saldana, CEcD*

### MAKING A DIFFERENCE

There are not very many people who have spent their entire career and lives promoting local economic development at the highest level of state government. For over 40 years, Wayne Schell did just that, making a difference for the communities and all of California. Share the journey of a profession and the professional whose legacy in California is much like that of his college classmate Coach Phil Jackson, a legacy of a championship coach whose energy, commitment, and passion continue to be evident throughout the economic development community.

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## DEVELOPMENT: WAYNE SCHELL

By Paul Saldana, CEcD

**R**onald Reagan, half way through his first term as governor of California, established the state's first economic development program, creating the California Department of Commerce in 1969. A young man, working in Governor Reagan's Office of Intergovernmental Management, would move over to the new department. Ever since then, he has been involved in the establishment of all statewide economic development programs and activities and responsible for the formation of most local economic development programs as well. There is only one individual who has had the passion and commitment to economic development in California since its early beginnings, and that is Wayne Schell. Like most economic developers, however, Schell was not initially educated in economic development, nor did he have an interest in the field.

### MAKING HIS WAY TO CALIFORNIA

Schell attended the University of North Dakota and received his Bachelor of Science in Political Science. After hearing that if he had a law degree, he could get any job he wanted, Wayne continued as a "Fighting Sioux" (now "Fighting Hawks") and received a Juris Doctorate of Law, with an emphasis on urban law. His interest in government and politics could have led him to a political career in North Dakota, as the university has produced a number of leaders, including eight North Dakota governors. However like another "Fighting Sioux" alum, former Los Angeles Lakers Coach Phil Jackson who played at the university during the same time Schell attended, he made his way to California and made his name known among economic developers and governors alike.



Wayne Schell conducting local elected officials training.

### WORKING FOR GOVERNORS REAGAN AND BROWN

An interest in government landed him on Governor Reagan's staff in the office of local government where he served in liaison roles to federal, regional, and local organizations. During Reagan's second term, Schell joined the state's Department of Commerce as director of the Job Development Program. A new governor, Jerry Brown, took office in 1975 and eliminated the Department of Commerce; however, Schell retained his role but worked in a different department within the state structure. By 1978, however, Governor Brown would face critics for California being anti-business and facing re-election, would create the California Department of Business and Economic Development. The plan was developed by Wayne and a few others involved in economic development on a restaurant napkin, merging the state's existing programs into the new department. Wayne would be part of the new team that would not only shape the new department but would become the catalyst for the economic development profession overall.

Throughout most of Governor Brown's second term, Schell helped establish and served as the first director of the Office of Local Economic Develop-

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## WAYNE SCHELL

- President & CEO, California Association for Local Economic Development, 1990-2012
- President & Founder, Economic Development Services, 1983-1990
- California Department of Economic & Business Development, 1978-1983
- California Department of Housing & Community Development, 1975-1978
- California Department of Commerce, 1973-1975
- Governor's Office of Local Government, 1969-1973
- 2006 recipient, IEDC Chairman's Lifetime Achievement Award
- 2000 recipient, California Economic Development Golden Bear Award
- Fellow Member, IEDC

ment, where he would work with over 30 communities throughout California to create economic development strategies and attract over \$10 million in economic development grant and loan opportunities. He saw first-hand the challenges local cities and counties faced in economic development and sensed the need for collaboration and training among the few local economic development programs that existed. In response, he again met with a few others involved in economic development at the time and founded the California Association for Local Economic Development (CALED) in 1980, where he served on the founding Board of Directors.

## CONTINUING HIS ROLE IN BUILDING ECONOMIC DEVELOPMENT IN CALIFORNIA

As the transition between Governor Brown and his successor Governor George Deukmejian took place, Schell served as the interim director of the Department of Economic and Business Development. Not being a "caretaker" but rather continuing his role in building economic development in California, he helped the new governor craft a special California initiative for economic development and job creation. This initiative included the creation of the California Economic Development Corporation, a small cities block grant program for economic development, a secondary market for state and local revolving loan funds, and California's enterprise zone program, the latter being responsible for hundreds of thousands of jobs in the economically distressed areas of California. Governor Deukmejian's program reflected Schell's passion and concern for rural and small communities, a focus that would become his legacy in California economic development.

Governor Deukmejian continued to expand economic development, establishing foreign trade offices and tourism and business development promotion, doubling the economic development budget, and changing the name back to the California Department of Commerce. Seeing the expansion and attention to economic devel-

opment at the state level had the governor's full attention and following his entrepreneurial attitude, Schell formed Economic Development Services (EDS). For the next seven years, EDS helped develop over 40 economic development strategies at the state and local level, and it assisted over 20 private sector companies, 16 economic development corporations, and ten state governments. More notably, Schell's team achieved 100 percent success in developing and securing funding for communities' industrial park and business development projects. Throughout this time, he maintained an active role in CALED, helping to grow its programs and membership and volunteering at conferences and other programs. But the real growth of the profession and CALED took place with Wayne as the organization's leader and champion.

Schell became president & CEO of CALED in July of 1990 and remained in this role for 22 years until his retirement in 2012. He took a meager budget and 150 members to a nearly \$1 million budget and over 980 members. His most notable organizational internal achievement was retaining 98 percent of members during his tenure. This was due in large part to the programs that he instituted within CALED as well as his continued role in championing economic development on a statewide level, and coaching and motivating many of us at the local level. Sounds a bit like Phil Jackson's tenure in Los Angeles!

In 1992 when Governor Pete Wilson elevated the Department of Commerce to the cabinet-level Trade and Commerce Agency, Wayne was involved in shaping the focus of the new agency. He was at the table when the Economic Strategy Panel was established and the California Infrastructure and Economic Development Bank was created. He was there when Governor Gray Davis added "technology" to the agency and when the Legislature eliminated the agency and defunded many of the economic development programs.

When Governor Arnold Schwarzenegger established an internal economic development partnership to coordinate a state economic development response, Schell was there advocating for the need for a statewide pro-



With past chairs of the California Association for Local Economic Development (CALED), Wayne Schell (far right), and (L to R)Steve Duckett, Bruce Ackerman, Paul Saldana, Barry Sedlick (Golden Bear Award recipient), David Biggs, and Bill Carney.

gram. He helped to establish Team California, an independent non-profit to market California and encouraged Governor Schwarzenegger to designate the Business Transportation and Housing Agency as the lead economic development group in the state. When Governor Schwarzenegger wanted to create a governor's office of economic development, there was Wayne, supporting the governor's executive order and appearing before the legislature advocating for the office.

Who knew 28 years later, Jerry Brown would return to the governor's office and with it face the challenge of the state's response to economic development. And there was Wayne, with the advocacy and leadership to support the governor's legislative efforts to fully restore the Governor's Office of Economic & Business Development and reassemble the programs and activities that he had helped the state establish over the years. The difference, however, would be that Schell was working for local economic development from outside state government, a passion he developed working within state government for Governor Brown decades earlier. While he has been involved in every element of California's economic development from its beginnings with Governor Reagan to the current form with Governor Brown, his sustaining mark is felt at the local economic development level.

### **SUSTAINING MARK IS FELT AT THE LOCAL ECONOMIC DEVELOPMENT LEVEL**

Throughout his career, particularly at CALED, Schell has traveled to every county and most all of the cities within California. Most of his time has been spent in rural communities that could not hire professionals or consultants to help with their economic development needs and challenges. His support of local efforts has helped sustain local economic development organizations. For example our organization, the Tulare County Economic Development Corporation, which is one of the oldest in California established in 1983, has had his coaching, training, and support throughout this time. For many other organizations, from Shasta to the north and Imperial in the south, from coastal communities like Monterey and Lompoc, to the Sierra counties like Calaveras, he has been there to support and encourage economic development programs at the local level. His advocacy was not, however, just limited to encouragement but also to establishing programs through CALED to support local economic development.

He led efforts to establish technical assistance, training, and education of economic development professionals and local elected officials throughout California. Through his leadership, he established the California Academy for Economic Development, which provides education and professional research opportunities for professionals. Schell led CALED to sponsor the creation of the California Enterprise Development Authority to provide low-cost financing alternatives to nonprofits and manufacturers. Recognizing the information needs of local economic developers, he developed the nationally recognized monthly economic development "Bulletin" and "Edlerts" to keep the profession in California informed of important trends and information.

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Schell promoted sustainable development, regional coordination, and technological support for economic development. He engaged economic developers throughout California and ensured that the CALED Board had not only geographic representation but also representation from the different types of entities involved in economic development as well as demographic diversity.

### **ENERGY, COMMITMENT, AND PASSION**

His contributions to California economic development were recognized in 2000 when CALED bestowed the Golden Bear Award, California's highest economic development honor. He was selected as a "Fellow Member" of the International Economic Development Council (IEDC) where he also received the Chairman's Lifetime Achievement Award at the 2006 Annual IEDC Conference. His joy, as he once stated, has been to watch the development and growth of local economic development organizations and programs in California. However, his pioneering attitude went beyond the corridors of the State Capitol and the city halls, and county government centers, finding its way to the plains of Wyoming for more than 30 years.

Schell enjoyed going to the plains of Wyoming every year and cattle ranching with friends who ranch there and often found the solace of riding a horse and the open country an opportunity to enjoy time in a more undeveloped and serene setting. In retirement, he now enjoys "fabulous sunsets" from his five-acre ranch setting in Northern California. While he enjoys his time and settled pace of life, he is always available to those professionals who seek him out when they have a challenge facing their economic development program. Although the calls may not be as frequent as they were with CALED, Wayne continues to leave his mark on economic development in California as all of the programs he helped establish continue to thrive and succeed today.

His attitude about the economic development profession can be embodied in this quote from IEDC's ED Now, which interviewed him following his retirement in 2012: "I'm too young in mind to give it up. I'm too energetic, too committed and passionate about what we (economic developers) do." Like his fellow Fighting Sioux Phil Jackson, a conversation with him still shows that energy, commitment, and passion for our profession and the individual professional. And like Jackson, he is the consummate coach, always encouraging your individual performance but reminding you that you are part of a team – a team competing to win new economic investment and jobs for your community. ☰