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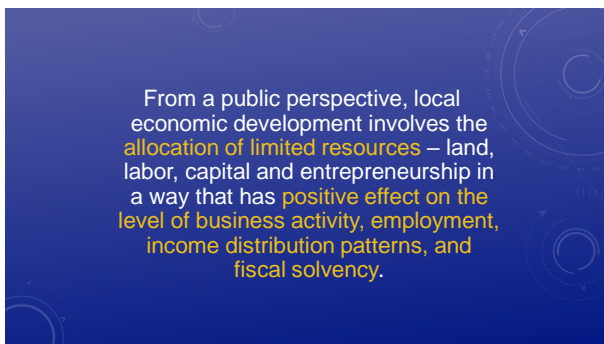
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## Benefits of Economic Development

**Increased Revenue Base**  
Additional revenue to support, maintain, and improve local services such as roads, parks, libraries, and emergency medical services.

**Job Development**  
To provide better wages, benefits, and opportunities for advancement.

**Business Retention**  
Businesses that feel appreciated by community, and in turn feel as if they are contributing to the economy, will stay in town.

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**Economic Diversification**  
Helps expand the economy and reduces a community's vulnerability to a single business sector.

**Self-sufficiency**  
Public services would be less dependent on intergovernmental transfers that change with each election.

**Productive Use of Property**  
Property used for its "highest and best use" maximizes the productivity of that property.

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## Business Case for Economic Development

<p>Rising Costs for Municipal Services</p> <ul style="list-style-type: none"> <li>Population Growth</li> <li>Rising Employee Costs                     <ul style="list-style-type: none"> <li>Pension Costs</li> <li>Salaries and Benefits</li> <li>Health Care Insurance</li> <li>Workers Compensation</li> </ul> </li> </ul>	<p>Rising Expectations for Municipal Services</p> <ul style="list-style-type: none"> <li>Quality of Life Issues</li> <li>Public Safety</li> </ul> <p>Negative Impact of State Budget Actions</p>
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## Quality of Life

More local tax dollars and jobs raise the economic tide for the community, which generally increases the overall standard of living of the residents.

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## Three Forms of Economic Development (Programs)

1. Retain & Expand Existing Business
2. Create Business
3. Attract New Business

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### Existing Business – 80% net new job growth

- Regulatory Issues
- Backward Linkages
- Sources of Capital
- Workforce Training
- Export Assistance
- Government Purchasing
- Revolving Loan Funds

Appreciate those that have already invested in your Community

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To ensure a good business climate, local governments should establish and maintain efficient, timely, transparent, and objective entitlement and permit processes.

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### Permit Streamlining Tips

- Early consultation meetings
- Interdepartmental 'red teams'
- Customer service
- Permit ombudsperson & expediter
- Publish process, documents, timeline, etc.
- Publish fees
- Continuous process improvement
- Update zoning and permitting
- Appropriate use of CEQA and NEPA
- Track permits through entire process

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### Start Up of New Business

Grow Your Own by Providing Exceptional Business Assistance

- Business Training – SBDCs, SCORE
- Venture Capital – Crowd funding, Local Crowd
- Home-Based businesses
- Incubators – have a graduation plan

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### Attraction of New Business

- Know your competitive advantages and disadvantages — *you are unique!*
- Have data — Targeted Industry Study
- Marketing Strategy — Local, Regional, State
- Community Profiles
- Vacant Industrial Site & Facilities Inventory
- Business Familiarization Tours


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### Attracting Retail

- What is your value proposition? Do you have data to support it? *Know who you are*

What is your...

- Population in 7-min. drive time radius (not city boundary)?
- Population by income level?
- Community preferences?
- Do you have shovel-ready real estate already in place?

 retail strategies

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What's unique about your community?  
Your region?

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**Where To Begin**

What do you already have?  
plan, strategy, element, resolutions

Who is on your team?  
staff, county, EDC, chamber, business council

What industries are already thriving?  
WDBs, Community Colleges, EDCs

What industries/retail can you support?

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**Where To Begin**

- Where does your revenue come from?
  - Think long-term
- Ask the right budget questions
  - Are you cutting revenue generators?
- Connect with businesses have significant impact in your community—Thank Them.

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**Public Sector Role**

To create certainty and foster a business-friendly environment to influence business investment and location decisions through:

- Taxes
- Spending
- Investment
- Regulations
- Incentives
- Marketing
- Quality Service
- Adding Value to Community Assets

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Top 10 City Economic Development Activities (2008 Survey)	Number Ranking Activity Important	Average Rating for Each Activity
1. Assuring consistency in development rules	196	4.2
2. Streamlining review of all applications for permits	190	4.1
3. Working with private promotional groups	178	4.1
4. Improving local amenities	193	4.1
5. Contracting/networking with businesses	184	4.0
6. Property site referrals	182	3.8
7. Joint collaboration with other jurisdictions	159	3.7
8. Public improvement to declining areas to stimulate investment	174	3.6
9. Working with area's COGs/regional governments	153	3.6
10. Participating in state funded grant programs	156	3.6

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## Projects/Transactions

- Revitalizing the downtown – BIDs/PBIDs
- Providing infrastructure to a new area
- Working with private partners to complete commercial or residential projects (New Market Tax Credits)
- Creating TIF districts (EIFD, CRIA, etc.)
- Developing industrial parks, buildings, retail, etc.
- EB-5
- PACE financing
- Brownfield financing and remediation
- Private Activity Bonds
- Public asset inventory
- Zoning for highest/best use

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## Measuring Success

- Monitor the metrics of your economic development programs — tracking your investment
- Economic development is an investment in your community. It is more than a “Jobs Program”

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## SMART A simple device to remember the characteristics of an effective performance measure

- Specific:** performance measures need to be as specific as possible
- Measurable:** a performance measurement is only useful if you can actually measure it
- Achievable:** do not set goals that are impossible to achieve
- Relevant:** performance measurements need to be relevant to the organization’s mission and the program’s strategic objectives
- Time-based:** make sure that performance measures are achieved within a specific period

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## Metrics Beyond Jobs

- Community Development
- Real Estate
- Labor & Workforce
- Economic Measures
- Business Measures

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## Metrics Beyond Jobs

### Community Development

- Percent of organizations that have adopted sustainable development goals
- Government subsidies as percent of gross income
- Annual capital dollars invested in municipal infrastructure
- Percent of sustainable development compatible legislation
- Number % of projects meeting objectives
- Number of communities aided
- Number aided water/wastewater systems achieving goals
- Number of communities improving their telecommunications connectivity

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## Metrics Beyond Jobs

### Real Estate

- Industrial space used
- Office vacancy rate
- Number of building permits issued
- Value of industrial and commercial property
- Percent of new residential lots

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## Metrics Beyond Jobs

### Labor & Workforce

- Total wage and salary jobs per employed resident
- Number of jobs in value-added manufacturing
- Net job growth
- Percent of jobs created/retained above county average wage
- Average Salaries
- Manufacturing wage and salary jobs as a percent of total jobs
- Wages/benefits as compared to state levels or area with similar industry mix
- Number of job candidates with certifiable skills or college degrees

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## Metrics Beyond Jobs

### Economic Measures

- Capital investments per job
- Commercial investment
- Amount/% of tax collected by industry
- Number and value of business loans
- Per capita debt
- Dollars spent in locally-owned businesses
- Retail sales per capita
- Tourism/bed tax revenues
- Retail sales as a percent of personal income
- Amount of private sector investment in EDA projects as a result of grants
- Amount of state and local funds committed for EDA projects

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## Metrics Beyond Jobs

### Business Measures

- Business participation in school and civic events
- Percent of companies developing new products or services
- New business started/New business licenses
- Number of environmental services, products, and technologies exported
- Percent of GDP from secondary production and business services
- Number of business establishments
- Value of goods exported internationally
- Farm Acreage
- Values of key natural resources
- Value added in hotel and lodging industry
- Number of clusters identified
- Growth in number of clusters identified in comparison to previous year
- Growth of clusters compared to state growth of same cluster
- Amount of freight transported by air, water, and land

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Economic Development is not  
a one size fits all proposition

Be true to your community  
& do not be led astray

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