BASIC PRINCIPLES OF AND TRENDS IN LOCAL ECONOMIC DEVELOPMENT

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What is Economic Development?

- Economic development is the process of creating and sustaining wealth. We know that it is occurring when:
  - New jobs are being created
  - Existing jobs are being maintained
  - The standard of living is improving
COMMUNITY LEADERSHIP IS CRITICAL TO ECONOMIC AND COMMUNITY DEVELOPMENT

WHO NEEDS TO BE INVOLVED IN LOCAL ED?

• Local government
• Chambers of commerce
• Economic and community development orgs.
• Utilities
• Existing business and industry
• Faith-based institutions
• Educational systems
• Financial institutions
• Civic leaders
• Citizens
• Federal and state government
ECONOMIC DEVELOPMENT IS HAPPENING WHEN:

- the standard of living is increasing
- An actual increase in the level of average household income is occurring
- Improvement of income distributed evenly
- the local tax base is keeping pace with the mounting cost of government services
- business and industry are creating quality jobs
- the local quality of life keeps getting better
INCREASING INCOMES

The increase in local income is derived primarily from:

- Companies that produce goods and services that are sold outside the community, bringing in new sources of income
- Tourists that bring new money into the community
- Retirees who spend money locally that was earned elsewhere
- Buying Local to reduce outside purchases
ECONOMIC DEVELOPMENT

The process is facilitated through:
- Development of a skilled workforce
- Investment in the physical infrastructure
- Improvement of the business environment
- Availability of marketable land and buildings
- Maintenance of the environment
- Improvement of the quality of life
- Promotion of the community and region
INFRASTRUCTURE CONSIDERATIONS

- Proper adequate zoning
- Public Transportation
- Affordable Housing
- Adequate clean water
- Capacity to process wastewater
- Availability of Natural Gas
- Comparable Electric Utility Fees
- Sufficient broadband through cable and/or wireless
TELECOMMUNICATIONS IS THE KEY INFRASTRUCTURE CONSIDERATION

• Availability of high-speed, broadband telecom
• The future is wireless
• Technical support needs to be readily available
STRATEGIES FOR ECONOMIC DEVELOPMENT

- Recruitment
- Retention & Expansion
- Entrepreneurs & Start-ups
- Community Development
BUSINESS RECRUITMENT AND ATTRACTION

• Defining your product – what can your community offer to a new business?
• Identifying your target audience – what types of economic activity are you most likely to attract?
• Clarifying your message – what are you trying to promote about your community?
• Developing your marketing plan – what marketing techniques will give you the best results, given your resources?
EXISTING INDUSTRY PROGRAM BENEFITS

• Stop loss of direct & indirect jobs
• Less expensive to assist local firm expand than to recruit new ones
• Potential for entrepreneurial spin-offs from retained firms
• A happy local firm projects an important positive image for outside firms
QUALITY OF LIFE

• Variety of retail & customer services
• Lodging & restaurants
• Attractive & clean environment
• Good traffic flow
• Range of cultural & recreational opportunities
QUALITY OF LIFE

- Availability of quality housing at reasonable costs
- Strong basic skills in education
- Presence of colleges & universities
- Low crime rate
- Good medical & health care
COMMUNITY DEVELOPMENT

• Build a product that can compete successfully for jobs, business investment, tourists, retirees
• Involve local leadership effectively to determine priorities, initiate action, and sustain momentum
• Access federal, state, and other outside resources to expand the possibilities
• Minimize barriers to development
COMPETITION ASSESSMENT

- Know your showcase feature(s)
- Plan for minimizing shortcomings
- Benchmark beyond a 100 mile radius
- Identify gazelles
- Capitalize on Opportunities
WORRY PRIORITIZATION

- Weather ~ Hurricanes, Nor’easters, Global Warming, Sea Level Rise
- Overpopulation
- Traffic Jams
- Uncontrolled Economic Growth
- Loosing Identity
PURSUIT OF THE STEADY STATE ECONOMY

• Benefits
  • Environmental ~ Respects biophysical limits and does not disrupt natural ecosystems
  • Lifestyle ~ removes congestion, sprawl and unfair trade practices
  • Moral ~ preventing over-consumption leaves more for future generations
  • Zero Growth presumes the unstable Boom/Bust cycle and continuous growth theory does not equal progress and that sustainability has inherent value.