

Quality of Place & Economic Development



GOVERNMENT & ECONOMIC
DEVELOPMENT INSTITUTE

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What is Economic Development?

“Economic development is a process by which a community *creates, retains, and reinvests* wealth and *improves the quality of life.*”

- David Dodson, MDC Inc., Chapel Hill, NC



Why Economic Development?

- ❑ Higher levels of economic activity can lead to:
 - ✓ additional tax revenues
 - ✓ increased property values
 - ✓ greater retail sales
 - ✓ higher personal and household incomes
 - ✓ increased business profits
 - ✓ increased likelihood that young people can find good jobs locally and remain in the community
 - ✓ better schools, health care, amenities, etc.



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- ❑ Economic development is found at the intersection of the public and private sectors.
 - ✓ Involves government efforts to facilitate increased private sector growth and investment.
 - ❑ A strong private sector economy depends on effective government investment and decision-making (education, infrastructure, incentives, and agency support).

strong local economies are built upon
strong communities

Economic development requires a foundation
upon which to build.

❑ *Physical Infrastructure:*

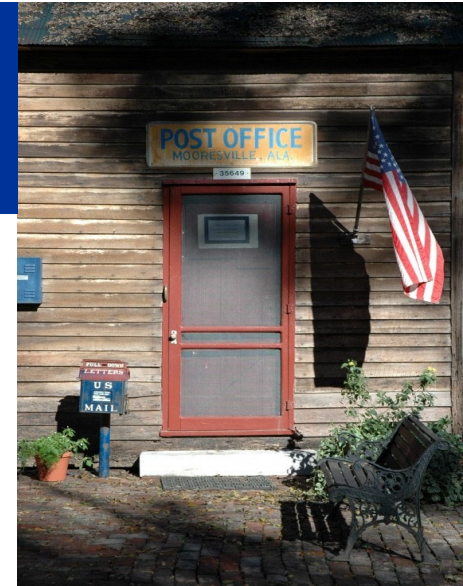
- ✓ Roads, water, gas, electricity, sewers, and telecommunications

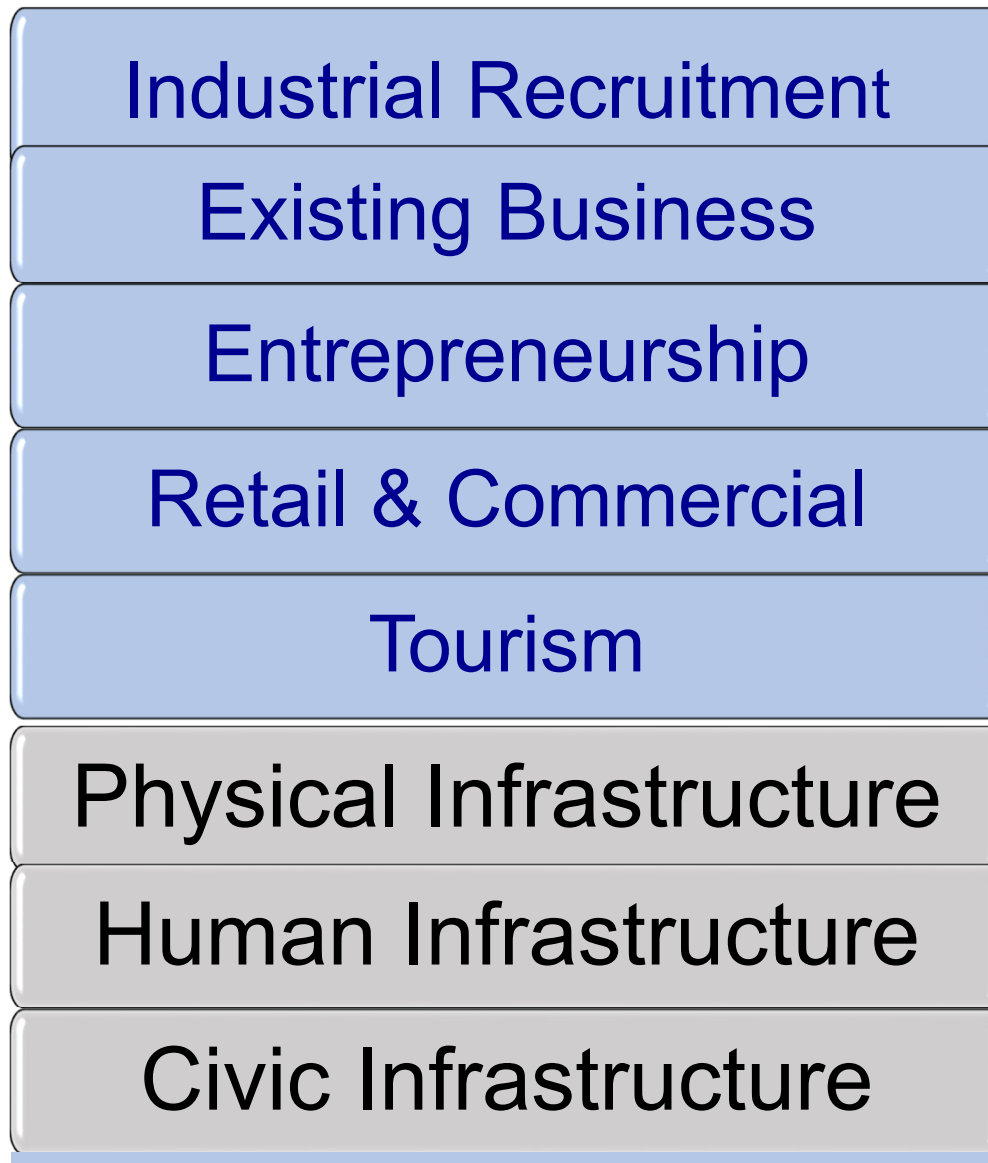
❑ *Human Infrastructure:*

- ✓ An educated and skilled workforce

❑ *Civic Infrastructure:*

- ✓ Strong local leadership, vital community institutions, public involvement, and a community mindset of pride and optimism





Economic
Development
Strategies

Community
Development

Alabama Rural Roundtable

June 16, 2006, Auburn University

“Priorities for Strengthening the Future of Rural Alabama”

1. Leadership & Citizen Participation
(civic infrastructure)
2. Workforce Development & Education
(human infrastructure)
3. Infrastructure & Communications Technology
(physical infrastructure)

2nd Alabama Rural Roundtable (November 16, 2017)

- Same Priorities as 2006 - with addition of Rural Healthcare

Community Development / Quality of Place

- ❑ Community development involves citizens and institutional stakeholders working together to create a better **place** – as they address critical issues, like:
 - ✓ Leadership
 - ✓ Diversity and inclusion
 - ✓ Community image
 - ✓ Community aesthetics
 - ✓ Governmental services
 - ✓ Education
 - ✓ Workforce development
 - ✓ Healthcare
 - ✓ Community vitality / fun things to do
 - ✓ Infrastructure and zoning
 - ✓ Housing



Quality of Place & Business (Talent) Recruitment

Site Selection Factors

Area Development Magazine (2017 Corporate Executive Survey)

| | |
|--|-------------|
| 1. Highway Accessibility | 91.3 |
| 2. Labor Costs | 91.1 |
| 3. Availability of Skilled Labor | 88.8 |
| 4. Quality of Life | 87.2 |
| 5. Occupancy or Construction Costs | 85.9 |
| 6. Tax Exemptions | 85.9 |
| 7. Proximity to Major Markets | 84.6 |
| 8. Corporate Tax Rate | 83.2 |
| 9. State and Local Incentives | 81.3 |
| 10. Available Land | 76.9 |
| 11. "Fast-Track" Permitting | 76.7 |
| 12. Proximity to Suppliers | 76.4 |
| 13. Energy Availability and Costs | 76.0 |
| 14. Available Buildings | 75.9 |
| 15. Right-to-Work State | 74.7 |
| 16. Training Programs / Technical Colleges | 72.8 |
| 17. Inbound/outbound shipping costs | 71.8 |
| 18. Low Union Profile | 71.4 |
| 19. Environmental Regulations | 70.2 |
| 20. Long Term Finance Availability | 64.6 |

Quality of Life Factors

Area Development Magazine (2014 Corporate Executive Survey)

| | |
|--------------------------------------|-------|
| 1. Low crime rate | 84.4% |
| 2. Ratings of public schools | 75.3 |
| 3. Healthcare facilities | 74.2 |
| 4. Housing (availability / costs) | 69.7 |
| 5. Colleges and universities in area | 68.3 |
| 6. Recreational opportunities | 65.9 |
| 7. Cultural opportunities | 60.8 |
| 8. Climate | 60.5 |

“In business today, no competition is tougher than the global race for talent. In every industry, every job sector, and every part of the world, employers are asking the same question: “How are we going to find, train, and retain the best workers?””

- U.S. Chamber of Commerce 2013



“States and communities that fail to produce and attract educated and skilled workers are at a huge disadvantage in the competitive world of economic development, which is increasingly shifting from an emphasis on recruiting industry to recruiting talent.”



What does it take to Build (enhance)
Quality of Place?

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Theodore Roosevelt

“Do what you can,
with what you have,
where you are.”

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Peter Drucker

“The best way to predict the future is to create it.”

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John F. Kennedy

“Leadership and learning are
indispensable to each other.”

Many Leaders



David Mathews

“What stands out in the high-achieving community is not so much the characteristics of the leaders as their **number** . . . The high-achieving community had ten times more people providing leadership than communities of comparable size. . . And its leaders function, not as gatekeepers, but as door-openers, bent on widening participation.”

Community Engagement



Robert F. Kennedy

“Each time a man stands up for an ideal, or acts to improve the lot of others, or strikes out against injustice, he sends forth a tiny ripple of hope, and crossing each other from a million different centers of energy and daring those ripples build a current which can sweep down the mightiest walls of oppression and resistance.”

IQfoxvlyhqhv



Martin Luther King, Jr.

“We may have all come on different ships,
but we’re in the same boat now.”

Hard Work



Will Rogers

“Even if you’re on the right track,
you’ll get run over if you just sit there.”



Jacob Riis

“When nothing seems to help, I go and look at a stonecutter hammering away at his rock perhaps a hundred times without as much as a crack showing in it. Yet at the hundred and first blow, it will split in two. And I know it was not that blow that did it, but all that had gone on before.”

2 Corinthians 9:6

“He who sows sparingly will also reap sparingly, and he who sows bountifully will also reap bountifully.”

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Source: Tax Policy Center, Urban Institute & Brookings Institution



| | Taxes per capita | National Rank | If AL taxed like . . . |
|-------------------------|------------------|---------------|------------------------|
| Alabama | \$3,144 | 50 | |
| Texas | 4,126 | 28 | + \$4.8 billion |
| Louisiana | 3,951 | 33 | + \$3.9 billion |
| Arkansas | 3,868 | 34 | + \$3.5 billion |
| Kentucky | 3,782 | 38 | + \$3.1 billion |
| Mississippi | 3,673 | 40 | + \$2.6 billion |
| Missouri | 3,649 | 41 | + \$2.5 billion |
| Georgia | 3,520 | 43 | + \$1.8 billion |
| Florida | 3,453 | 46 | + \$1.5 billion |
| South Carolina | 3,426 | 48 | + \$1.4 billion |
| Tennessee | 3,270 | 49 | + \$612 million |
| Other SEC State Average | 3,672 | | + \$2.6 billion |
| National Average | 4,883 | | + \$8.4 billion |

Note: Total Alabama General Fund budget for FY19 is \$2 billion.

“A society grows great
when old men plant
trees in whose shade
they will never sit.”

- Greek Proverb





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