

# Fundamentals of Municipal Economic Development

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## *A Transformational Approach*

Presented to the Town of Durham  
May 23, 2017



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## Curriculum

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1. Your Town: municipal economic indicators in a regional and state context
2. Economic Development: what is it and why is it important
3. On the Ground: roles and responsibilities of the town's economic development team

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## Taking A Pulse

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*What are your primary assets?*

*What are your challenges in the next ten years?*

*What are your game changers?*

# Section 1

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YOUR TOWN: MUNICIPAL ECONOMIC INDICATORS  
IN A REGIONAL AND STATE CONTEXT

CONNECTICUT DATA COLLABORATIVE
Home Data Services News About

### Changing the way Connecticut uses data

CTDC is a public-private partnership working to incorporate quality and availability of data for smarter planning and policy.

**SHOW/HIDE TOPICS**

- Demographics
- Fiscal
- Economic
- Education
- Housing
- Labor
- Other

**ADD/REMOVE TOWN**

- Deep River
- Derby
- Durham
- East Granby
- East Haddam
- East Hampton
- East Hartford
- East Haven

**DOWNLOAD CERC PDF**

## Connecticut Town Profiles

### Demographic Indicators

**Population Trends**

|                            | Durham | Middlesex County | Connecticut |
|----------------------------|--------|------------------|-------------|
| Projected Population, 2020 | 7,803  | 170,518          | 3,702,469   |
| Population, 2000           | 6,627  | 155,071          | 3,405,565   |
| Population, 2010           | 7,388  | 165,676          | 3,574,097   |
| Population, 2011-2015      | 7,349  | 165,165          | 3,593,222   |

About these indicators: +

View Counties

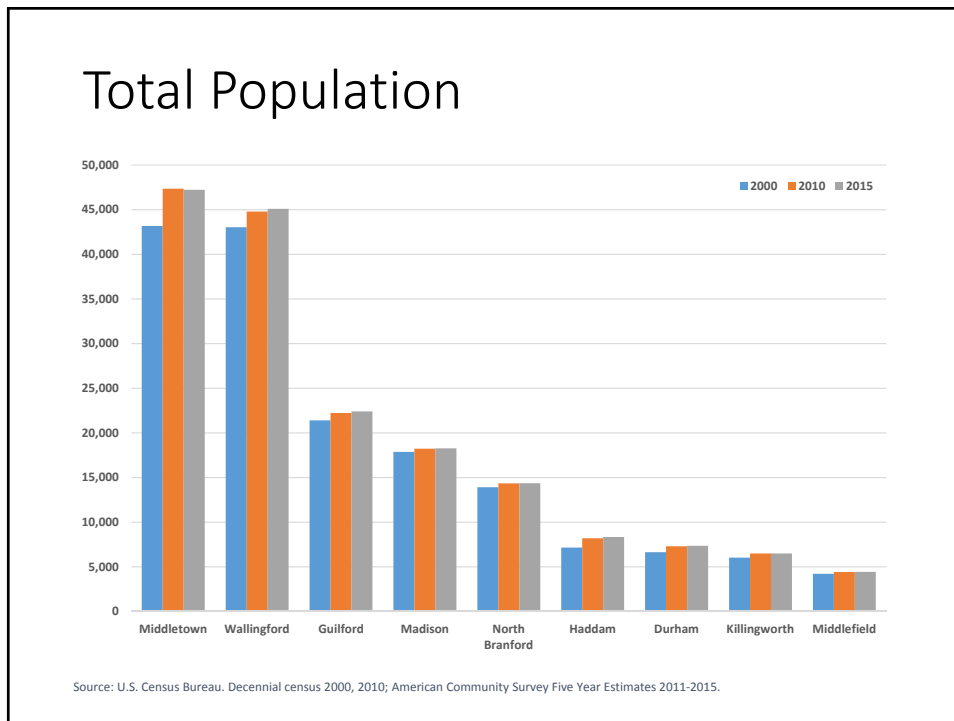
**Other Demographic Characteristics**

|                         | Durham             | Middlesex County   | Connecticut        |
|-------------------------|--------------------|--------------------|--------------------|
| Land Area               | 23.66 sq. mi.      | 369.3 sq. mi.      | 4842.33 sq. mi.    |
| Population Density      | 310.61 pop/sq. mi. | 447.24 pop/sq. mi. | 742.04 pop/sq. mi. |
| Poverty Status          | 2.6% ±1.7%         | 6.7% ±0.7%         | 10.5% ±0.2%        |
| Total Households        | 2,594 ±177         | 66,117 ±804        | 1,352,583 ±3,661   |
| Median Household Income | \$113,152 ±10,092  | \$79,893 ±12,048   | \$70,331 ±8,409    |
| Median Age              | 43.8 ±1.8          | 44.2 ±0.1          | 40.4 ±0.1          |

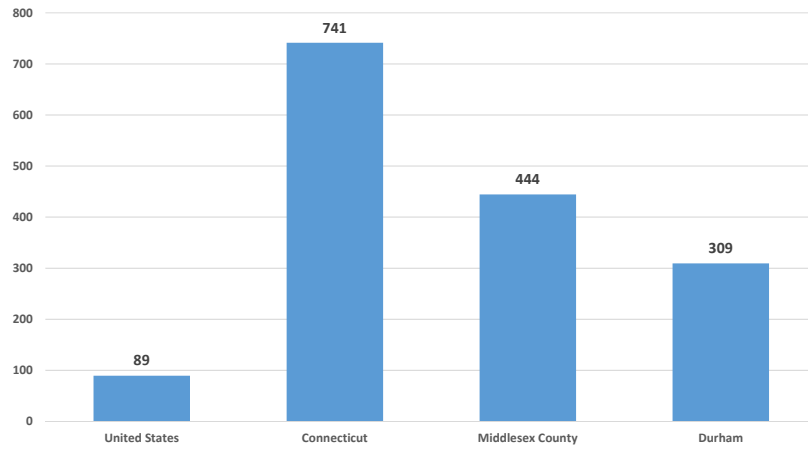
About these indicators: +

View Margins of Error

View Counties

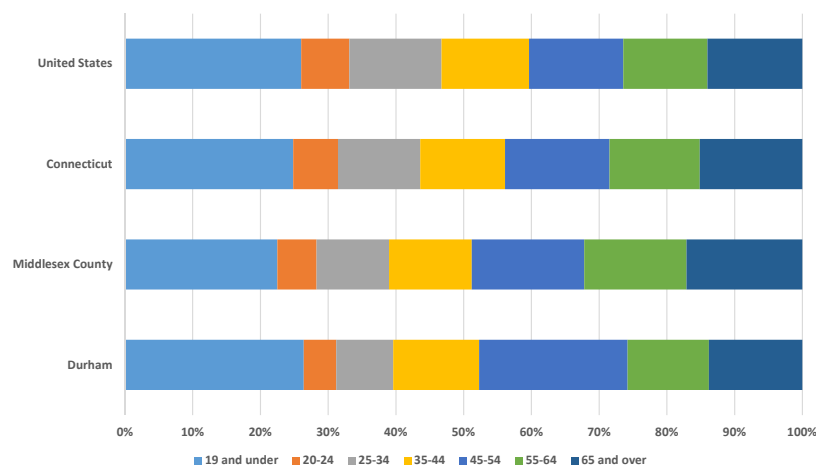


## Density (Residents per Sq. Mile)



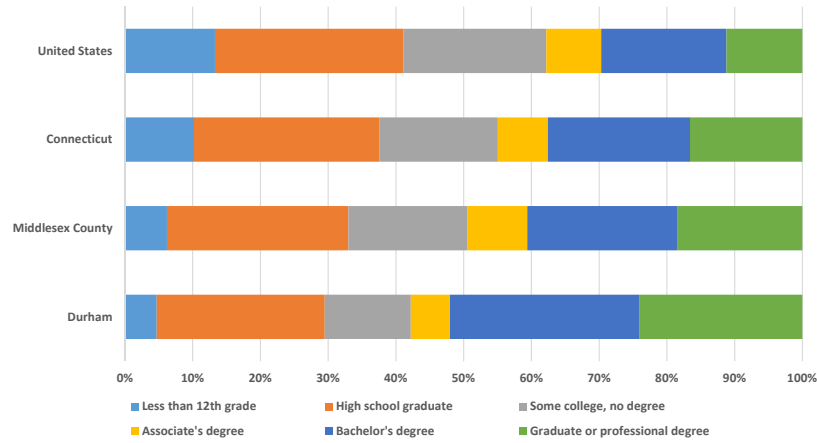
Source: CT Department of Public Health Population Estimates, 2015. CT Department of Economic Development Population, Land Area, and Density by Location.

## Population by Age



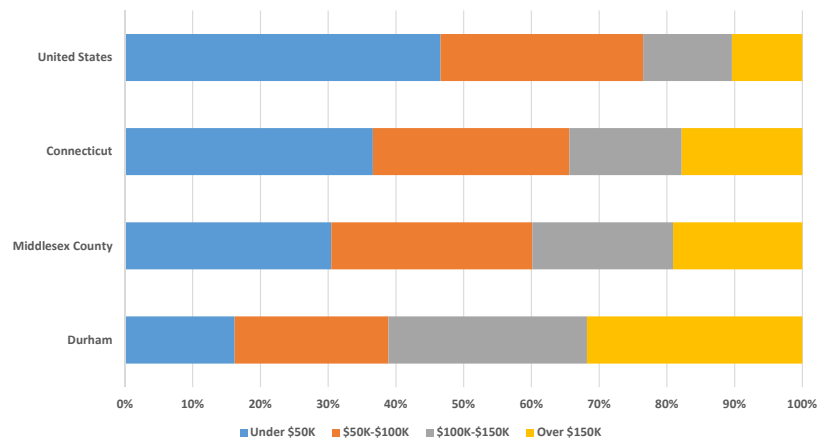
Source: U.S. Census Bureau. American Community Survey Five Year Estimates 2011-2015.

## Population by Educational Attainment



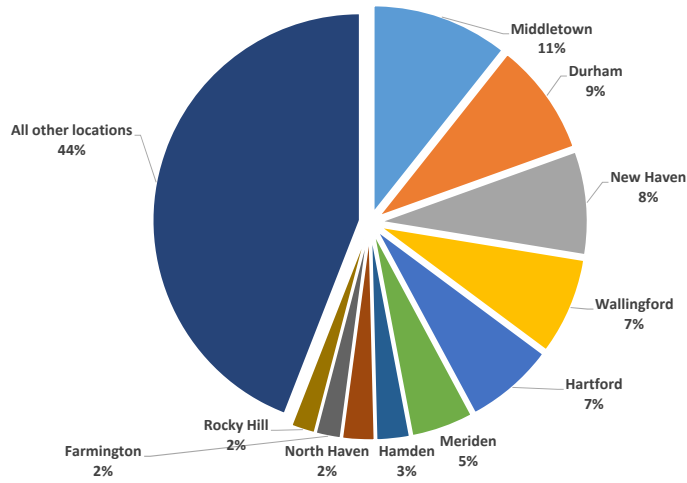
Source: U.S. Census Bureau. American Community Survey Five Year Estimates 2011-2015.

## Population by Household Income



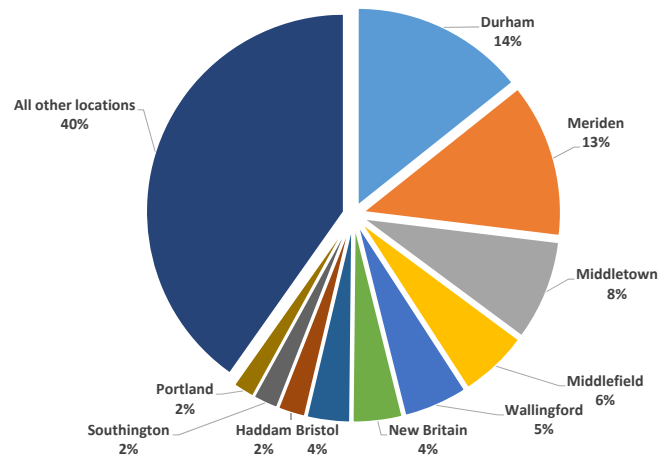
Source: U.S. Census Bureau. American Community Survey Five Year Estimates 2011-2015.

## Where Residents Work (Top 10)



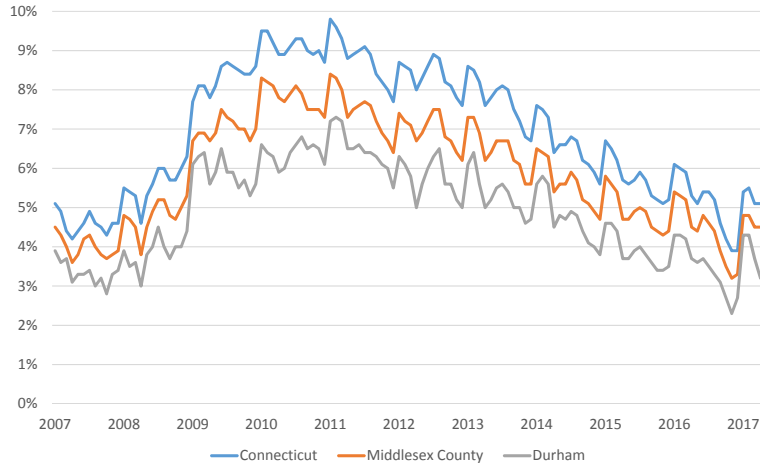
Source: U.S. Census Bureau, LEHD Origin Destination Employment Statistics, 2014.

## Where Workers Live (Top 10)



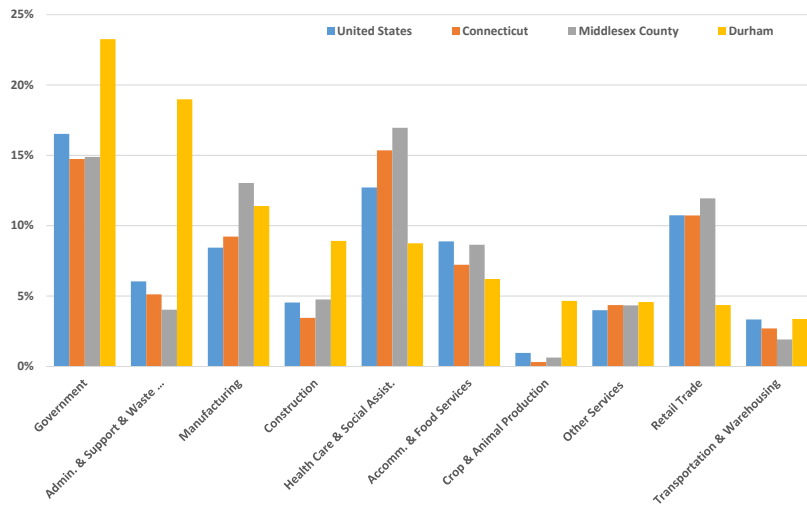
Source: U.S. Census Bureau, LEHD Origin Destination Employment Statistics, 2014.

## Unemployment Rate



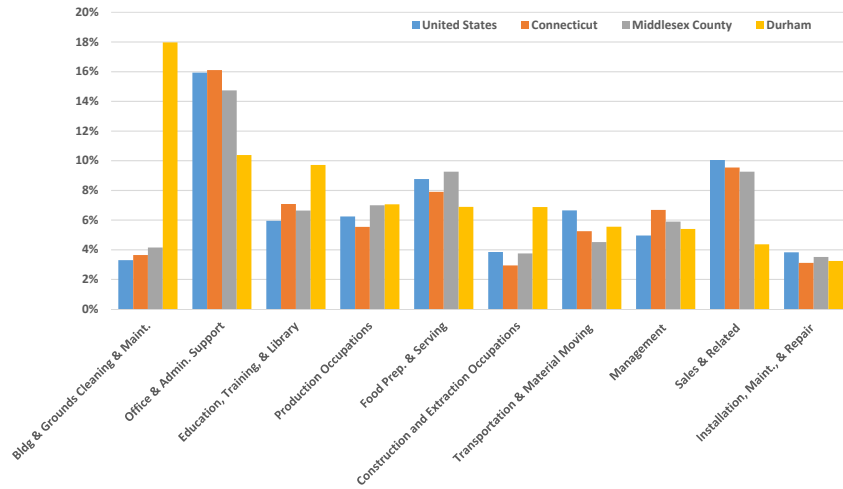
Source: CT Department of Labor Local Area Unemployment Statistics.  
 Note: Not seasonally adjusted.

## Largest Industries by Employment



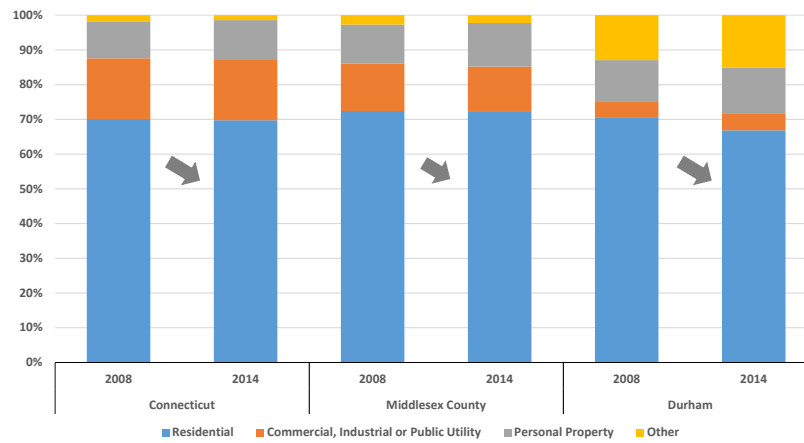
Source: Economic Modeling Specialists, Inc.

## Most Common Worker Occupations



Source: Economic Modeling Specialists, Inc.

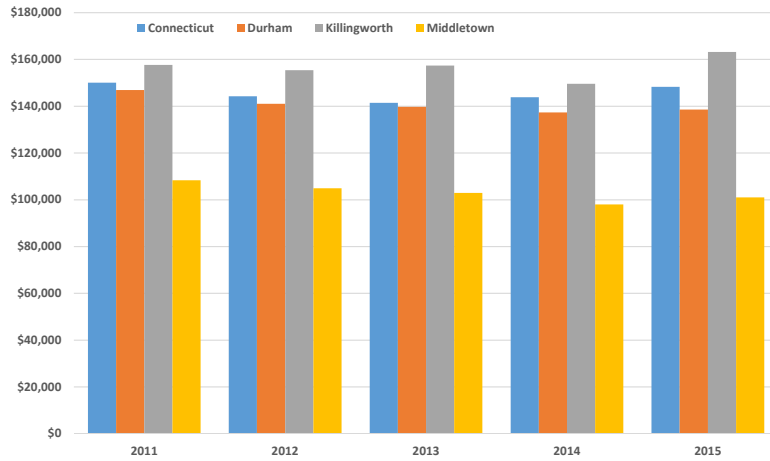
## Equalized Net Grand List



Source: Municipal Fiscal Indicators. CT Office of Policy and Management. 2016.

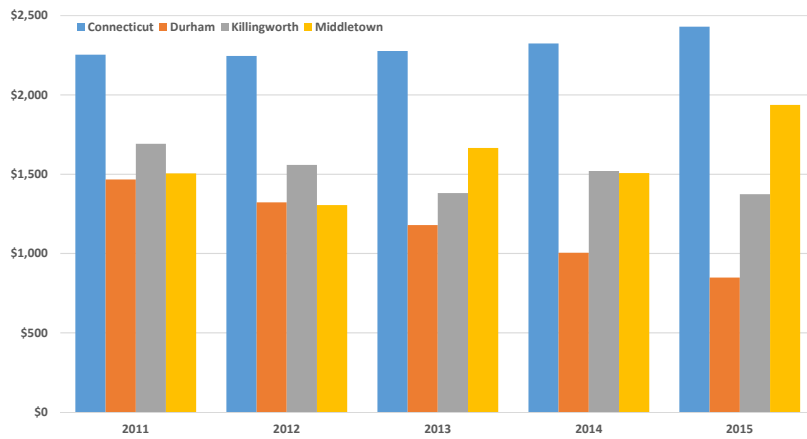


## Equalized Net Grand List Per Capita

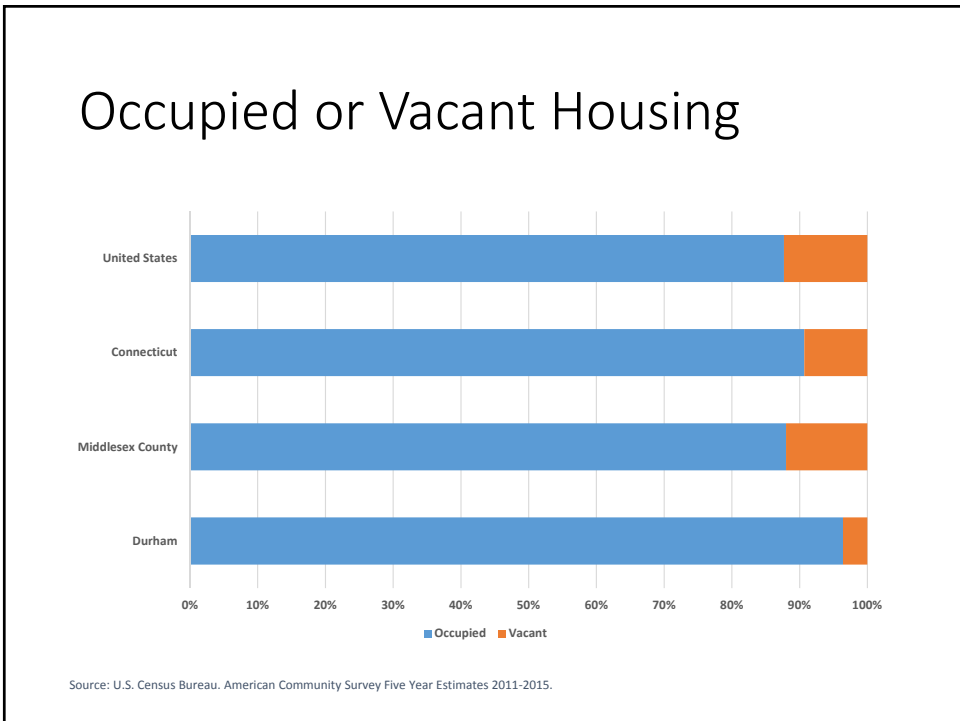
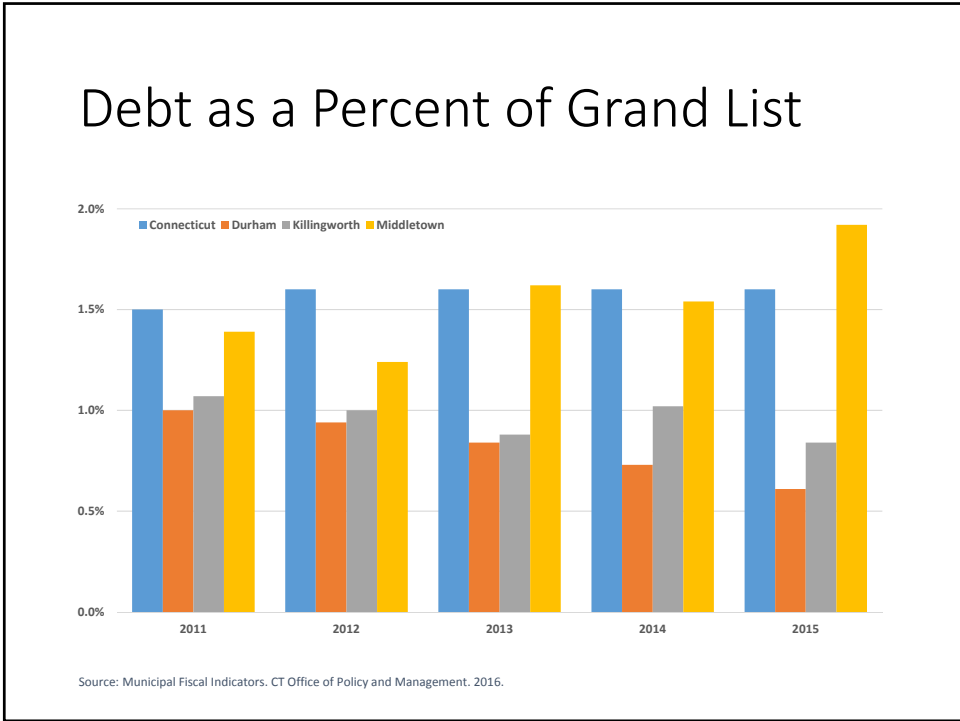


Source: Municipal Fiscal Indicators. CT Office of Policy and Management. 2016.

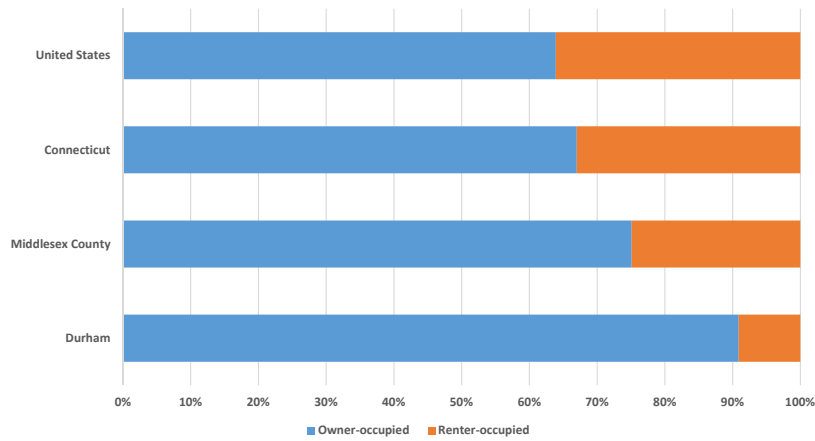
## Bonded Long-Term Debt Per Capita



Source: Municipal Fiscal Indicators. CT Office of Policy and Management. 2016.

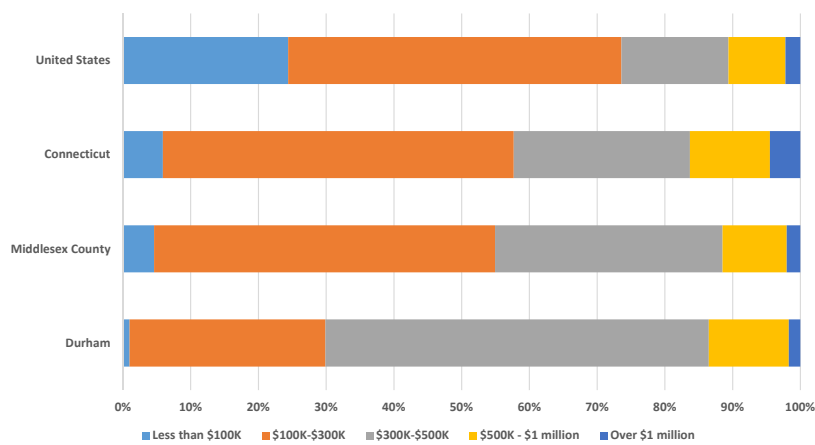


## Owner- or Renter-Occupied Housing



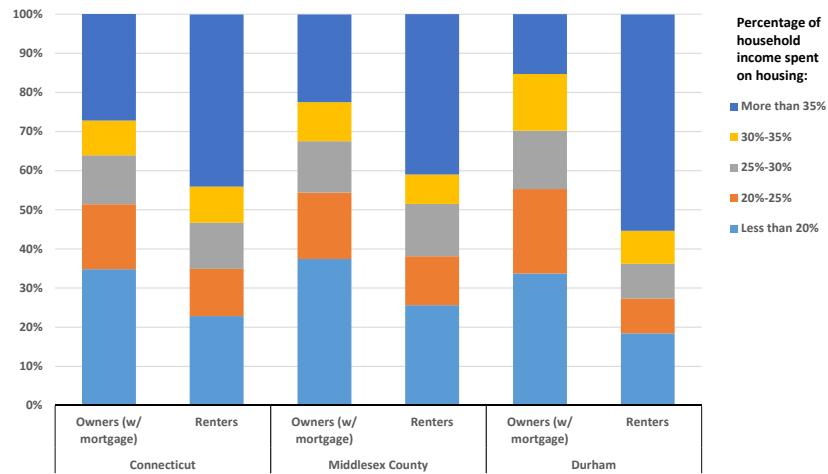
Source: U.S. Census Bureau. American Community Survey Five Year Estimates 2011-2015.

## Value of Owner-Occupied Housing



Source: U.S. Census Bureau. American Community Survey Five Year Estimates 2011-2015.

## Housing Affordability



Source: U.S. Census Bureau, American Community Survey Five Year Estimates 2011-2015.  
 Note: Affordability for owner-occupied housing is only for households with a mortgage.

## Section 2

ECONOMIC DEVELOPMENT: WHAT IS IT AND WHY IS IT IMPORTANT?

## Framing Our Discussion: Illustrative Questions About Economic Development Activities

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- What is economic development?  
Why should you care?
- What is the difference between growth and development?
- Is there a difference between economic development, community development, and real estate development?
- How does your town fit into the broader regional & global economy?
- What defines the economic future (vision and goals) of the region/town?
- What are your choices in the community?
- How do you create great places?
- What are your strengths and weaknesses?
- How do different audiences perceive development and how do you communicate?
- What is your reputation in the economic development market?
- What are the threats to the fiscal health of your community? Can you afford the things you want?
- What are the needs of local businesses?
- Who are the stakeholders and partners?

## Your Place in a Regional and Global Economy

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- Local success linked to regional/global success
- Know your role - How do you define your economic region?
  - What regional assets can help sell your community?
  - Unique asset – connections to large metros (NYC)
- Polycentric nodal regions
- Changing world of economic development: the playing field = the world
- Regions are units of economic competition
- Changing roles of urban centers, suburbs and rural areas (seniors and millennials)

## 10 Placemaking Principles

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1. Community is the expert
2. Create a place, not a design
3. Partners
4. Observe
5. Vision
6. Short term improvements
7. Triangulate
8. "It can be done"
9. Form supports function
10. You are never finished

## Economic Development Approaches

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### *Transactional*

Do the deal  
 Make the numbers work  
 Get building permit and other approvals  
 Not much community input  
 Focused on specific property  
 Looking for financial incentives  
 Fiscal impact

### *Transformational*

Interdisciplinary approaches  
 Creating attractive and inviting places  
 More complex and comprehensive ways of measuring success  
 Measure real community-wide benefits and outcomes, not just activity  
 Consistent with community vision  
 Cost/benefit

*Be self aware enough through planning, strategy development to know what transactions fit with your community vision.*

## Business Perspective on Local Government

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“We want to locate where we are wanted, where government appreciates our contribution to the economy, and values local ownership, where people understand that it is a good thing for the community if we make money. We want to work with officials who are focused on growing the economic pie, and who value our business activity because we export goods and services out of the Pioneer Valley, yet the profits stay in the valley. We want local government to create a favorable playing field for all business activity, and to be active in keeping track of the “customer satisfaction level” of its businesses. We want to be in a town where government is strategically focused on providing a business-friendly place.”

– *The Holman Doctrine*

Local Choice:  
Different Development Options

Local Choice:  
Different Development Options





Local Choice:  
Different Development Options



## Economic Development Choices: Density

*We have nothing to fear but fear itself... courtesy of CT Main Street Center*

### Wilcox Street



Urban Advantage

## Economic Development Choices: Big Box vs. Main Street Development

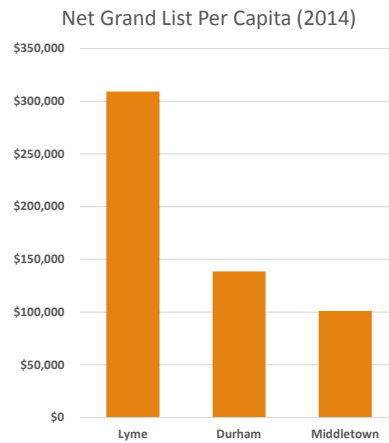


|                         | <u>Costco</u> | <u>Downtown Cornerstone</u> |
|-------------------------|---------------|-----------------------------|
| Land Consumed (acres)   | 19.0          | 0.18                        |
| Total Prop. Taxes /Year | \$366,477     | \$71,680                    |
| Total Prop. Taxes /Acre | \$19,288      | \$398,222                   |
| Residents/Acre          | 0             | 44                          |
| Jobs /Acre              | 5.2           | 22                          |

Enfield Big Box vs. Downtown Mixed-Use Development

## Drivers of Local Economic Development

- Impact on grand list growth
- Change in the quality of the town's assets
- Balance of commercial/residential development
- Housing - largest component of the grand list
  - Housing stock, age and type
  - Diversity of housing choices



## Section 3

ON THE GROUND: ROLES AND RESPONSIBILITIES OF THE TOWN'S ECONOMIC DEVELOPMENT TEAM

## Who is on the team?

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- Elected officials/municipal offices
- Boards and commissions (P&Z, conservation, etc.)
- Business community and citizens
- Schools and universities
- Chambers, nonprofits and regional ED organizations
- Advocates: housing, transportation, preservationists, environmentalists
- Commercial real estate industry: brokers, developers and site selectors
- Government: state and federal

## Responsibilities of Economic Development Commission & Staff

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- Adopt strategic plan of economic development
- Promote economic development in town and contribute to plan of conservation & development (POCD)
- Identify areas of town for development
- Make recommendations to voting boards in town
- Initiate an application to change a zoning district, propose an economic development zone, present proposed regulations
- Appear before other land use commissions meeting and present position
- Review all other commissions agendas and minutes to keep abreast of developments and timelines

# Definition of Economic Development

- Business retention
- Business expansion
- Business recruitment
- Business creation
- Character of your community

The screenshot displays the HERA SITEFINDER website interface. At the top, there is a navigation menu with links for Property Search, Resources, Membership, About, Contact, and CERC.com. Below the navigation is a search interface with a sidebar on the left containing filters for Time (Buildings, Sites, Businesses, Communities), Square Feet (MIN SIZE, MAX SIZE), For Sale/Lease status, and Select Type (Office, Industrial, Retail, Special). A map of the area is shown on the right. Below the search interface, the 'Results' section is visible, showing a list of property listings with details such as address, type, size, and price.

| Address   | Type                             | Size  | Price                    |
|---|----------------------------------|---|--------------------------|
| 706 Derby Ave<br>City: Seymour<br>County: New Haven<br>Zip Code: 06483      | Office, Industrial, Mn SubDivide | 63 acres<br>Available 63 acres                                  | For Sale: \$2,800,000.00 |
| 88-101 Bank Street<br>City: Seymour<br>County: New Haven<br>Zip Code: 06483 | Retail                           | 1.06 acres<br>Min SubDivide: 1.06 acres<br>Available 10.6 acres | For Sale: \$800,000.00   |

## Components of a Successful Economic Development Program

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- Business visitation
- Liaison between the business and the town
- Ambassador efforts and partnerships
- Single point of contact for business
- Realistic understanding of your community's current economic situation
  - Know what you control
  - Collect data
- Workforce strategy that includes businesses, colleges and high school
  - Anchor institutions

## Components of a Successful Economic Development Program

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- Marketing (eNews, social media, CERC SiteFinder®)
  - Common understanding of what the town is (and unique attributes)
  - Elevator speech
- Intergovernmental relations – Know your reps, grants
- Financing solutions – DECD, local banks
- Incentives – Both local and state
- Heritage tourism – Enhances quality of life
- Shovel-ready initiatives – DOT permits, wetlands flagging, utility extensions
- Utility contacts

## Increasing Value in Your Community

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- Physically
- Socially
- Economically

*Great downtowns don't just happen – they are created!*

## Regulatory Process Needs to Be...

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- Predictable
- Clear
- Reliable
- Consistent
- Effective (Does the right thing)
- Efficient (Does things right)

*One of the best business incentives is a streamlined regulatory process.*

## Economic Development as an Active Choice

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“Cities (and read that as great places) are made not born...Nature has never made a city. Only human beings have ever made cities, and only human beings kill cities, or let them die. And human beings do both by the same means: by acts of choice.”

-Former Yale President Bart Giamatti

## Next Steps

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*What did you learn?*

*Where do you go from here?*



## Contact

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