

Managing in Tough Economic Times

Economic Renewal Leads to Fiscal Stability...

Part 1: Four Components of Economic Renewal

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High Stakes Decision-Making and Managing Change,

published by the National Trust for Historic Preservation-
managing/responding to the Gaming Industry

Economic Renewal Series, published by the US Small
Business Administration and Rocky Mountain Institute

- The **Business Opportunities Casebook,** the **Business Opportunities Workbook & Financing Economic Renewal**

Competing with the National Discounter, published by State
of Colorado, available from CMI

Developing a Competitive Workforce, produced by Jobs For
Colorado's Future

Managing Colorado's Future- a Guidebook for integrating
Land Use, Transportation and Air Quality Planning

*This
workshop
presentation
is a
compilation
of 8 'how to'
books
authored by
Barb Cole &
30 years of
experience*



The Four Economic Renewal Principles

If town is interested in new development, desires to maintain its economic base or revitalize Main Street, these apply:

Principle 1: Plug the Leaks

**Principle 2: Support Existing
Businesses**

Principle 3: Encourage new enterprises

**Principle 4: Recruit Compatible New
Businesses**



ER Principles Analysis

	Principle	<i>Problems</i>	<i>Needs</i>	<i>Assets</i>	<i>Windows of Opportunity</i>	<i>Need to Know</i>	<i>Findings</i>
1	Plug the Leaks						
2	Support Existing Business						
3	Encourage New Business						
4	Recruit Compatible Business						



Principle 1: Plug the Leaks

It saves money; it helps retain business, it causes each dollar to be spent more times in the community, it's an attractive community characteristic that helps recruit new business

Problems

- Reduce regulations and taxes- particularly for small business
- Town hiring outside contractors to do Town work; Local banking done out of Town

Needs

- More locally owned stores that can compete with national chains
- Fix roads and maintain all year!!!

Assets

- Strong participation from all sectors including service clubs
- Good utility service
- Banks do make some loans to locals

Windows of Opportunity

- Local college running a business class
- Retail interests know they need to do something- but not sure what



Principle 2: Support Existing Businesses

Matching services to needs, products to resources, people's skills to jobs, promoting collaborative marketing.

Problems <ul style="list-style-type: none"> •Existing businesses not expanding, if they do, they hire from out of state •Town gov't not responsive to business needs; regulations hard to understand--too much red tape 	Assets <ul style="list-style-type: none"> •Stable downtown retail business •Land costs ½ the cost than rest of region •People move here due to good schools and strong sense of community
Needs <ul style="list-style-type: none"> •Under & unemployed need retraining •Programs should focus on existing business, not huge incentives to bring in new business 	Windows of Opportunity <ul style="list-style-type: none"> •More tourists coming to state •Perception that its just gambling- new report shows that's not true!! •Business friendly environment



Principle 3: Encourage New Enterprises

Make the best use of existing resources- labor force & infrastructure Create an entrepreneurial environment- attitudes that encourage people to turn good ideas into successful firms.

Problems

- New start-ups have failed
- Too much red tape, unresponsive local government, health care costs
- Poor/ lacking quality labor force

Needs

- No local financing; out-of-town banks reluctant to fund new businesses here
- Training and assistance for businesses

Assets

- Aggressive young entrepreneurs + successful retired business people
- Lots of community amenities; great climate

Windows of Opportunity

- NCED is there to help
- New State loan program for new locally owned enterprises



Principle 4: Recruit Compatible New Businesses

Capitalizes on local resources, fits with town's vision; is uniquely suited to area & addresses local needs

Problems

- Too many organizations involved- no coordinated effort to recruit
- Local government non-responsive to business needs

Assets

- Attractive place to raise a family- low housing costs, good schools, recreation
- Good access to transportation- major international airport, rail and interstate

Needs

- No \$\$ for incentive packages
- Need to annex more land for non-residential uses
- What makes us unique?

Windows of Opportunity

- Nevada viewed as a nice climate – lots of business moving from California
- Community Business Resource Center (CBRC)



Evaluating Project Ideas

1. The Community's Preferred Vision of the Future

- Is the project compatible with community goals and adopted plans?
- Does the project 'fit' with the community's vision?
- Have you considered the ways in which the project will benefit the community?

2. Resource Analysis

- Does the project take full advantage of community resources?
- Can the project be adapted to different conditions?
- Can you identify adequate funding and technical capability to administer the project?



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Evaluating Project Ideas

3. Pitfalls and Liabilities

- Do you have sufficient legal authority to undertake the project?
- Any potential liabilities?
- Does the project deal fairly with all interests?
- Can negative impacts be mitigated?

4. Timing

- Can you show immediate results as well as long term benefit?
- Do you understand the time commitment- for planning, development, implementation and maintenance?



Evaluating Project Ideas

5. People and Politics

- Projects that are supported by two or three interest groups have a higher chance of success.
- Can you involve multiple sectors- public, private, non-profit and educational?
- Have you included 'naysayers'?

❖ **Finally, remember successful projects have the following characteristics:**

- Consistent with community goals
- Rewards are well worth the risk
- Broad community support
- Committed community leaders to see the project through.



Part 2: Economic Sustainability Lessons Learned from---

- *An ‘Economic Development specialist’ who is really a Land Use Planner hired to update Comprehensive Plans, redraft land use regulations, process development applications, negotiate annexations & predict fiscal consequences*



Principle 1: Success is a result of failure.

Communities that evaluate & learn from past efforts do succeed.

•Estes Park URA Example: 58% increase in sales tax revenue in year 1- bold and comprehensive effort rather than a few flower boxes and paint.



Principle 2: All community interests are involved in formulating the strategy.

Seek Broad Support. Understand who has a stake in your ED effort and involve them from the start. Look for ways to build on other community efforts.

LISTEN!

- *Parallel vs. diagonal parking- Merchants & CDOT*
- *No Trees on Main Street*
- *Neck downs because of kids*



Principle 3: The Community knows what it wants to accomplish.

Granby, Co. : Increased Sales Tax

- Define downtown's unique market niche & how the three commercial areas can complement each other; "Think of each business as a part of a district, rather than a single store".
- Understand & define downtown's role with respect to other commercial development -. *Connect the Dots.*
- Work with the existing businesses to increase their competitive advantage.



Principle 4: The process is equally as important as the product.

- Do all interests believe that their ideas have been heard?
- Is there a defined decision-making process?

Example: Parker, Co. Downtown Action Plan

- *Reconnaissance interviews*
- *Task Force with developers*
- *Citizen interests*
- *All-day Charette*
- *Early-action items*
- *Walk-about*



Principle 5: The community has a “can-do” attitude.

Community ‘will’ + willingness to engage and motivate naysayers.

“Out of the Box” campaign, Competing w/ Big Box Retailers

- City, Chamber, MEDC and Small Business Development Center
- Proactively addressed merchant fears of new Wal-Mart
- Multi-faceted campaign with presentations and one-on-one assistance



Principle 6: The Economic Development Project is unique to the community.

- **Identify ‘Problems, Needs, Assets & Windows of Opportunity’**
 - ✓ *Need jobs - Mine closed*
 - ✓ *Image from Interstate-- poor- trash, junk...*
 - ✓ *Need better image- move train, relocate old building for new City Hall*
 - ✓ *Need anchors- New Heritage Center*
 - ✓ *Celebrate history and Scenic Byway*



Principle 7: Elected officials are committed

Commitment is more than \$\$\$--Think who, what, where and when.

Downtown Revitalization Plan:

- *Extend Pine Drive north across Sulphur Gulch to East Mainstreet* - Lead: Chris Hudson, Public Works
- *Develop a downtown historic signage program*- Lead: Landmarks Commission
- *Develop a full-movement signalized intersection just north of Sulphur Gulch on Parker Road* - Lead: Chuck Esterly, Public Works



Principle 8: The project sponsors don't get hung up on financing.

For local ED projects there are lots of options- Downtown redevelopment

- TIF - First Tax Increment Financing project - Estes Park.
- BID - Sante Fe Avenue in Denver.
- GID - Parking lots for downtown Glenwood Springs.
- SID - Linear foot assessment for streetscape- Leadville.
- Facade Loan Program- Longmont.
- Storefront improvements = summer intern from UCD -Estes Park
- Annexor contributions- Granby- in exchange for revenue sharing and Metro District



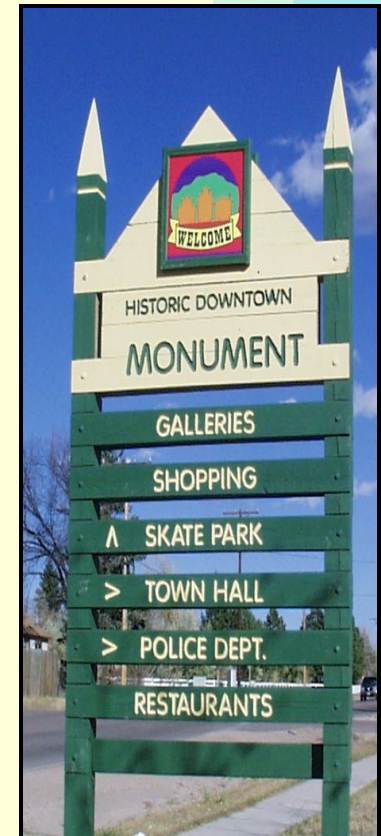
Principle 9: The effort to improve the local economy is a sustained effort composed of many different projects.

<i>Causes</i>	<i>Concerns</i>					
	Taxes	Jobs	Property	Service	Amenity	
Area Econ.	!	!	!			
Downtown Share	○	○	!	!	○	
Activity Mix		!		!	○	
Infrastructure.				!		
Appearance						



Principle 10: If there is not agreement on the problem, there cannot be agreement on the solution.

- ✓ State the problem simply and concisely- if it's a question, it needs an answer.
 - ✓ Stick to your mission, watch out for individual agendas.
1. *Can we capitalize on unique assets in the downtown area? Galleries, specialty shops.. Underutilized buildings & vacant land ideal for office space; ½ way between Denver and Colorado Springs?*
 2. *How can we direct people to our downtown?*
 3. *What early action item[s] improve our image & show merchants we are doing something?*



Last Thought....Community Branding

What is that? Why should we brand our community? What are the benefits?

✓ Watch new show- *Taking Care of Business* on TLC as a start...

✓ Learn from the Savvy Master Developers

✓ Image is everything, as is consistency in your message

*Remember--Get in their hearts & minds
not in their faces*

