



CML's 94th Annual Conference

June 21 - 24, 2016

Vail, Colorado

Keys to Local Economic Development

Kelly Flenniken

*Chair, Economic Development Council of Colorado
Area Manager, Community and Local Gov't Affairs for Xcel Energy*

John Hall

*Vice Chair, Economic Development Council of Colorado
Economic Development Director for City of Westminster*

Economic Development Council of Colorado

- Statewide, non-profit dedicated to successful, responsible economic development
- EDCC represents the economic development profession in Colorado and reflects the ED interests of both the private and public sectors throughout the state

Economic Development Council of Colorado

- **MISSION:** To position the EDCC as the premier statewide organization for strengthening Colorado's economy by promoting the highest standards of knowledge and skill for the ED professionals, educating local and state leaders about the realities of economic growth, and advocating public policies that enhance economic opportunity for all Coloradoans.

Economic Development Council of Colorado

Key Focus Areas

- Public Policy
- Professional Development
- Education

The Purpose of Economic Development

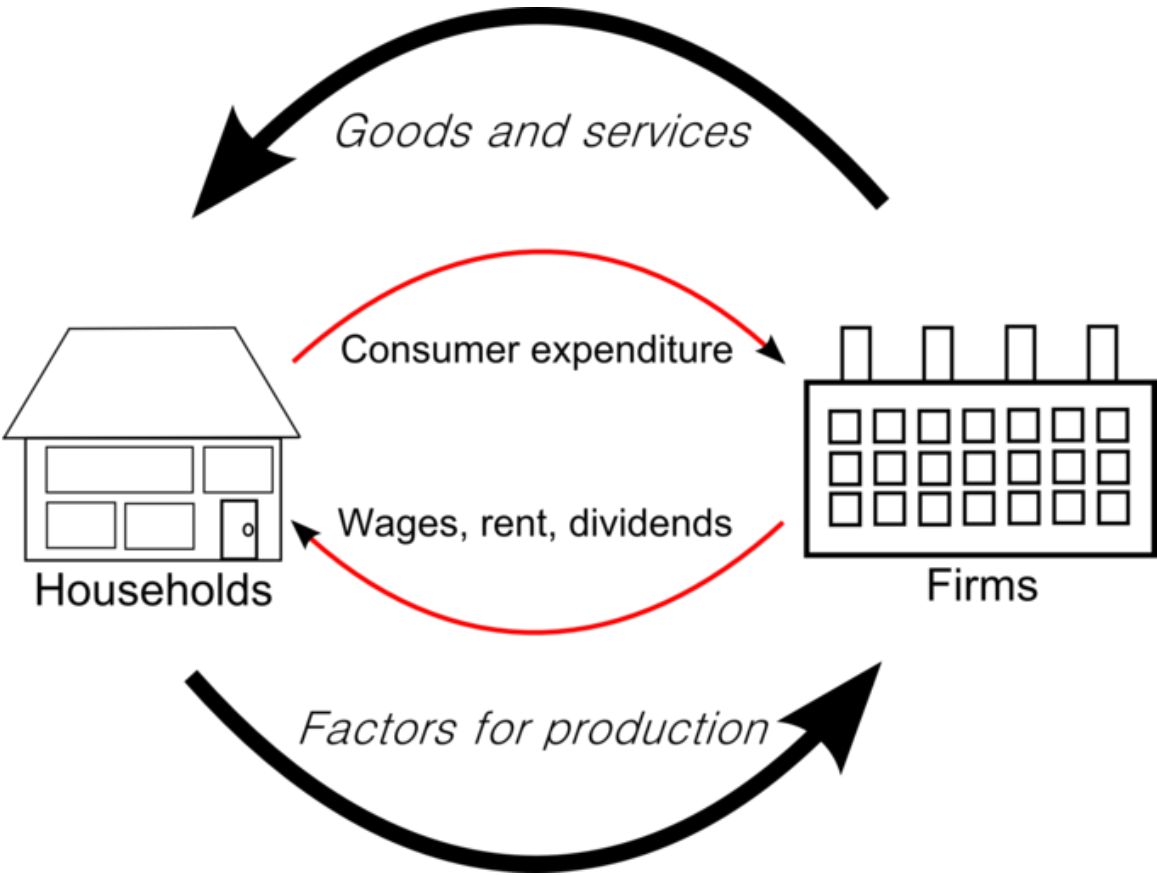
“To positively influence economic change.”

- Wealth generation
- Economic diversification
- Job growth and preservation
- Building the local tax base

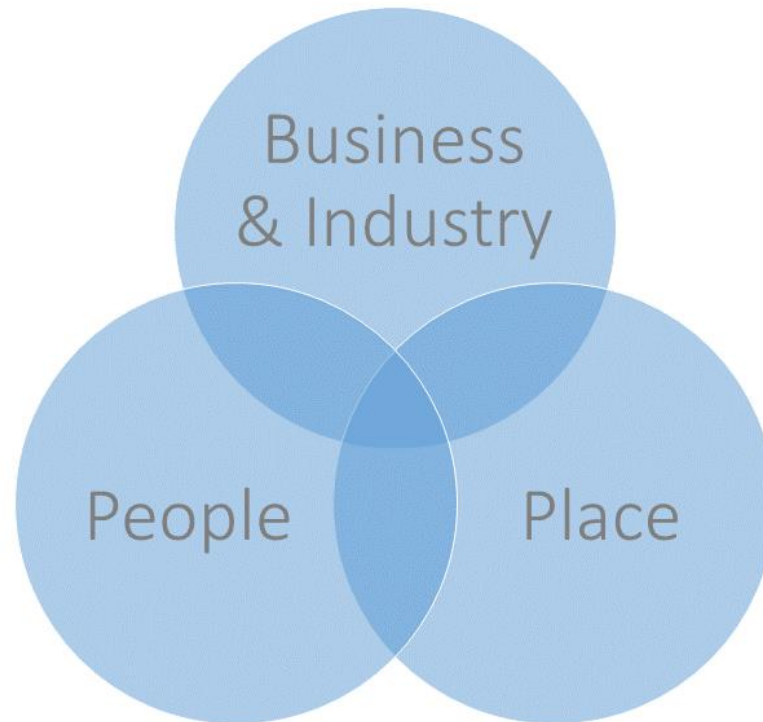
Export-Base Theory

- Approach for local and regional growth
- The basis of economic growth:
 - Firms and industries that export goods and services to other regions
- Two sectors:
 - “Basic sector” (export): goods and services outside the local area
 - “Non-basic sector” (local): that mainly serve local markets

Circular-Flow Diagram



Business, Place and People-Based Strategies



What does Economic Development encompass?

- Planning/Land Use
- Real Estate
- Law
- Tax Policy
- Statistics
- Workforce
- Exporting
- Infrastructure
- Finance
- Politics/Advocacy
- Marketing
- Sales
- Public Relations
- Negotiations/Mediation
- Consensus Building
- Incentives
- Fundraising
- Research

Economic Development Basics

Business development activities fall into 1 of 5 categories:

- Support existing employers
- Attract new employers
- Grow new companies
- Grow and retain existing companies
- Educate the community about their importance

What do Economic Developers bring to the table?

- Information
- Facilitation
- Advocacy

What do Economic Developers bring to the table?

Information

- Demographics
- Workforce Statistics
- Infrastructure Capacity
- Real Estate

What do Economic Developers bring to the table?

Facilitation

- Facilitation is the main customer service component
 - Facilitation of meetings (regulatory agencies, utility reps, real estate brokers, elected officials, etc.)
 - Coordination of efforts (single point of contact, project management, packaging of information, etc.)

What do Economic Developers bring to the table?

Advocacy

- Incentives – local, state & federal governments
- Regulatory – local planning agencies
- Community – importance of industry
- Taxes/Fees – local governments

The Focus of Economic Development:

- Primary Jobs

- Primary jobs are the foundation of the local economy
- Primary jobs produce goods and services in excess of what can be consumed in the local marketplace
- Primary jobs are the source of growth to municipal revenues

The Focus of Economic Development:

- Retail and Tourism
 - Retailing: how producers of goods and services get their products to consumers
 - Retail helps expand the commercial tax base
 - Retail provides many jobs for the local community
 - Retail sales comprise (on average) 72% of municipal revenue

The Focus of Economic Development:

- Retail and Tourism
 - Tourism brings in dollars from outside the community
 - Outside revenue stimulates the local economy and those dollars are often recirculated within the community
 - “Imported” dollars help generate jobs, incomes and tax revenues within a community

The Focus of Economic Development:

- Talent Attraction
 - Talent is a key factor in many business location decisions
 - Growing skills gap has placed much focus on developing talent locally
 - Most areas need so many professionals that they will need to recruit from outside their areas to address workforce shortages

The Focus of Economic Development:

- Small Business
 - Small businesses currently represent 98% of all businesses in the U.S.
 - They generate nearly two-thirds of all net new jobs in the country
 - Small businesses in America account for more than half of all U.S. sales

How do we support small business?

- Tax incentives
 - Enterprise Zone
 - TIF and other district taxing entities (BID, SID)
 - Fed/State/Local supported programs and policies

How do we support small business?

- Partnerships with other entities
 - State of Colorado (OEDIT & DOLA)
 - Grant programs (e.g. Advanced Industries, Public Infrastructure)
 - Incentives (Jobs Growth Incentive, Strategic Fund, Jump State, etc.)
 - Blueprint 2.0
 - EDO's
 - CDFA
 - CML
 - DCI

How do we support small business?

- Policy work that advocates for entrepreneurship/small business
- Reduction in “red tape”

The Education Aspect

- Economic development is often misunderstood by the public and decision makers at all levels
- Effort has been made to educate decision makers on the value of economic developers
- Well educated leaders that understand and support economic development will help create a more economically sound economy for Colorado

Professional Development/Events

July 21-22, 2106 – Entrepreneurial & Small Business Development (IEDC), Denver (CO16)

- Value Add Partnerships
- Technical Assistance
- Financing

August 18, 2016 – Regional Forum, Montrose (CML)

- Resiliency plans
- Long Eagles/Telecommuters

October 17-19, 2016 – 3rd Annual Drive/Lead/Succeed Conference, Vail (CML)

- Site Selectors
- SWIPE
- Energy, Aerospace, Tourism
- And MORE

Thank You!

Kelly Flenniken

*Chair, Economic Development Council of Colorado
Area Manager, Community and Local Gov't Affairs for Xcel Energy*

John Hall

*Vice Chair, Economic Development Council of Colorado
Economic Development Director for City of Westminster*