

WHAT IS ECONOMIC DEVELOPMENT?

ECONOMIC DEVELOPMENT MEANS DIFFERENT THINGS TO DIFFERENT PEOPLE.

On a broad scale, anything a community does to foster and create a healthy economy can fall under the auspice of economic development. Today's economic development professionals are trying harder than ever to define their field in terms that are more concrete and salient to policymakers, the public, and other professionals.

There are probably as many definitions for economic development as there are people who practice it. Below is CALED's definition as published in the Economic Development Handbook:

"From a public perspective, local economic development involves the allocation of limited resources - land, labor, capital and entrepreneurship in a way that has a positive effect on the level of business activity, employment, income distribution patterns, and fiscal solvency."

It is a process of deliberate intervention in the normal economic growth cycle to speed up the process and optimize impact. Economic development is a concerted effort in cities and counties to influence the direction of private sector investment toward opportunities that can lead to sustained economic growth. Types of "sustained" growth developers are typically looking for include businesses and industries that provide living wages for the workforce as well as profitable entrepreneurial opportunities that provide tax revenues in industries with projected future growth.

Simply defined, economic development is the creation of wealth in which community benefits are created.

YOUR ROLE IN ECONOMIC DEVELOPMENT

ELECTED OFFICIALS

As an elected official, the most important thing you can do to support economic development in your community is show leadership by championing the cause. You have the power to influence business investment and business location decisions through the policies you set and the direction you give city and county staff.

Actions you can take:

- + Explain to the community why economic development is important.
- + Create and implement a strategy that meets the needs of your community so you can help to create the desired future.
- + Adopt a "Jobs and Economic Development First Resolution" showing employers that you value them.
- + Have a long-term mindset, with a short-term action plan that allows for measurable, reasonable achievements.
- + Commit to long-term investment. As communities grow and the need for services and staff increases, you need to continue to invest in economic development to generate revenue to meet those needs.
- + Place a high priority on customer service.
- + Invest in infrastructure to create more shovel-ready sites for business development.



RESOURCES TO HELP YOU

CALIFORNIA ASSOCIATION FOR LOCAL ECONOMIC DEVELOPMENT

The California Association for Local Economic Development (CALED) is the premier statewide professional economic development organization dedicated to advancing its members' ability to achieve excellence in delivering economic development services to their communities and business clients. CALED's membership consists of public and private organizations and individuals involved in economic development: the business of creating and retaining jobs.

CALED supports its members through information, technical assistance, training, education, and research. Begun in 1980, CALED has grown to over 800 members, representing cities, counties, state and federal agencies, economic development corporations, and the private sector. CALED, through its own programs and management of the California Academy for Economic Development, provides professional training to economic developers. Supportive research includes data development and analysis, modeling, and policy analysis. Specific projects focus on sustainable development, regional competition, financing, and technological support for economic development.

By emphasizing innovation as well as tested methods, we strive to educate economic developers and communities on the best ways to grow healthy, vibrant communities.

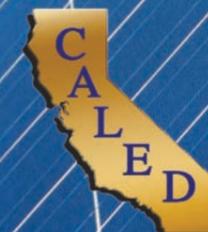
WWW.CALED.ORG AND WWW.EDACADEMY.ORG

CALIFORNIA SMALL BUSINESS DEVELOPMENT CENTERS

WWW.CALIFORNIASBDC.ORG
WWW.FACEBOOK.COM/CALIFORNIASBDC

ECONOMIC DEVELOPMENT

AN INVESTMENT IN OUR FUTURE



5 TIPS

To Jump Start Your Economic Development Program

1 HAVE A VISION FOR YOUR COMMUNITY

Realistically understand what you have to offer a business and look for your competitive advantages - unique characteristics that make your community attractive for businesses.

2 COMMUNITY PREPAREDNESS

Know your assets. Inventory and assess your community services, programs, and processes. This includes knowing your resource agencies, arts organizations, school districts, publicly-owned real estate, buildings, infrastructure, research facilities, etc.

3 CONSENSUS

Identify key stakeholders and champions to build consensus and awareness of the community's economic development vision and goals.

4 STRATEGIC ACTION

Create a strategy and specific action plan with measurable objectives, timelines and authority/responsibility assignments.

5 HEALTHY BUSINESS CLIMATE

Work on ways to show businesses you care about their success through good customer service, permit streamlining and a business-friendly attitude.

RESOURCES of ECONOMIC DEVELOPMENT

THESE ARE SOME COMMON TOOLS & RESOURCES TO HELP BUSINESSES THRIVE



RESOURCES INCLUDE:

- + Workforce Investment Boards
- + Banks
- + Utilities
- + Education
- + Private Business Consultants
- + Small Business Development Centers
- + Community Colleges
- + Chambers of Commerce
- + Universities - Public and Private
- + Incubators
- + Venture Capitalists and Angel Investors
- + Federal Agencies
- + Research Labs - Federal and Private
- + Brokers
- + Accountants

ACTIONS & BENEFITS

ACTIONS

Business Retention & Expansion
Business Attraction
Business Creation

BENEFITS

- + Maintain and increase the tax base
- + Revenues increase faster than the cost of municipal services
- + A labor force with marketable employment skills
- + Economic vitality for commercial and industrial areas
- + Economic environment that supports creation of new businesses and expansion of existing businesses
- + Create and retain jobs, increase per capita income and improve community image
- + Reduce physical and economic blight
- + Provide more community services like police, fire, libraries, parks, etc.
- + Appreciate and retain businesses and diversify the economic base
- + Be self-sufficient
- + Maximize value of property through highest and best use and raise the overall standard of living of residents
- + Consume locally produced products in the local market, keeping money in the community