

**PART FOUR: STRATEGIES FOR ECONOMIC DEVELOPMENT**

There are several different ways to categorize economic development strategies. The following tables are illustrative, not comprehensive.

**DIRECT ECONOMIC DEVELOPMENT STRATEGIES**

*1.) Direct Business Assistance*

<i>Projects</i>	<i>Location Factor Addressed</i>	<i>Pros</i>	<i>Cons</i>
<ul style="list-style-type: none"> <li>Land or building purchase and assembly</li> </ul>	<ul style="list-style-type: none"> <li>Land availability and cost</li> </ul>	<ul style="list-style-type: none"> <li>Puts ownership of key property in hands of public job-creation authority</li> <li>Overcomes fragmented ownership and scarcity of large developable sites</li> </ul>	<ul style="list-style-type: none"> <li>Risk of holding undesirable property</li> <li>Expensive</li> </ul>
<ul style="list-style-type: none"> <li>Industrial park creation</li> </ul>	<ul style="list-style-type: none"> <li>Land availability and cost</li> <li>Access to markets</li> </ul>	<ul style="list-style-type: none"> <li>Prepares land for development</li> <li>Designed for multiple users and many jobs</li> </ul>	<ul style="list-style-type: none"> <li>Land can remain vacant and underused while waiting for desired firms</li> </ul>
<ul style="list-style-type: none"> <li>Business accelerator (incubator)</li> </ul>	<ul style="list-style-type: none"> <li>Land availability and cost</li> <li>Workforce</li> <li>Business formation</li> </ul>	<ul style="list-style-type: none"> <li>Focus on job creation</li> <li>Nurtures companies of the future</li> </ul>	<ul style="list-style-type: none"> <li>High initial costs for space and program management</li> <li>Need to have management expertise or provide technical assistance</li> <li>Small businesses do not lead to employment and tax base growth immediately</li> </ul>

**TOOLS-OF-THE-TRADE  
 SUPPLEMENTAL MATERIALS**

**2.) Direct Business Program Policies**

<b><i>Programs and Policies</i></b>	<b><i>Location Factor Addressed</i></b>	<b><i>Pros</i></b>	<b><i>Cons</i></b>
<ul style="list-style-type: none"> <li>Financial incentives; grants and loans, including revolving loan fund</li> </ul>	<ul style="list-style-type: none"> <li>Varies depending on what the grants and loans are used for, could include: business climate; land availability and cost; and business formation</li> </ul>	<ul style="list-style-type: none"> <li>Some existing programs have low cost per job</li> <li>Can be targeted for various goals (historic preservation, job creation, etc.)</li> </ul>	<ul style="list-style-type: none"> <li>Effectiveness varies and is hard to measure</li> <li>Improvements can capitalize by property owner through increased tenant rent</li> <li>Requires local government to monitor loans, grant conditions</li> </ul>
<ul style="list-style-type: none"> <li>Small business assistance</li> </ul>	<ul style="list-style-type: none"> <li>Workforce</li> <li>Business formation</li> </ul>	<ul style="list-style-type: none"> <li>Relatively inexpensive</li> <li>Local focus</li> <li>Small businesses are numerous</li> </ul>	<ul style="list-style-type: none"> <li>Requires dedicated, knowledgeable staff</li> </ul>

SOURCE: ECONorthwest

## INDIRECT BUSINESS DEVELOPMENT STRATEGIES

### 1.) *Indirect Business Assistance*

<i>Projects</i>	<i>Location Factor Addressed</i>	<i>Pros</i>	<i>Cons</i>
<ul style="list-style-type: none"> <li>• Infrastructure improvement</li> </ul>	<ul style="list-style-type: none"> <li>• Access to markets (transportation and telecom)</li> <li>• Business environment (other utilities)</li> </ul>	<ul style="list-style-type: none"> <li>• Expands production possibilities</li> <li>• Increases access for workers and clients</li> <li>• Improves environment for workers and clients</li> </ul>	<ul style="list-style-type: none"> <li>• Expensive</li> <li>• Difficult to measure effectiveness</li> </ul>
<ul style="list-style-type: none"> <li>• Other public service improvement</li> </ul>	<ul style="list-style-type: none"> <li>• Community stability</li> </ul>	<ul style="list-style-type: none"> <li>• Promotes quality-of-life factors essential to attract workers</li> </ul>	<ul style="list-style-type: none"> <li>• Expensive</li> <li>• Difficult to measure effectiveness</li> </ul>
<ul style="list-style-type: none"> <li>• Planning and redevelopment studies</li> </ul>	<ul style="list-style-type: none"> <li>• Various</li> </ul>	<ul style="list-style-type: none"> <li>• Provides useful market information and visions for redevelopment</li> <li>• Few direct costs</li> </ul>	<ul style="list-style-type: none"> <li>• Relies on action by private sector, unless public agency owns relevant property</li> </ul>

**TOOLS-OF-THE-TRADE  
 SUPPLEMENTAL MATERIALS**

**2.) Indirect Business Program and Policies**

<b><i>Programs and Policies</i></b>	<b><i>Location Factor Addressed</i></b>	<b><i>Pros</i></b>	<b><i>Cons</i></b>
<ul style="list-style-type: none"> <li>Regulatory relief</li> </ul>	<ul style="list-style-type: none"> <li>Business climate</li> </ul>	<ul style="list-style-type: none"> <li>Make sit easier for development to occur</li> <li>Not necessary to lower standards; can lessen duplication and burden</li> </ul>	<ul style="list-style-type: none"> <li>Can remove necessary regulatory oversight if not done properly</li> </ul>
<ul style="list-style-type: none"> <li>Financial incentives: tax relief</li> </ul>	<ul style="list-style-type: none"> <li>Business climate</li> </ul>	<ul style="list-style-type: none"> <li>Decreases cost of doing business</li> </ul>	<ul style="list-style-type: none"> <li>Costly; may take away necessary resources from other services</li> <li>Research shows taxes less important than quality of life, labor force, access to supplies</li> </ul>
<ul style="list-style-type: none"> <li>Education and workforce development</li> </ul>	<ul style="list-style-type: none"> <li>Workforce</li> </ul>	<ul style="list-style-type: none"> <li>Workforce skills are a key requirement for job growth</li> </ul>	<ul style="list-style-type: none"> <li>Costly</li> <li>Requires coordination among multiple groups</li> </ul>
<ul style="list-style-type: none"> <li>Business recruitment and marketing</li> </ul>	<ul style="list-style-type: none"> <li>Varies</li> </ul>	<ul style="list-style-type: none"> <li>Not as costly as grants or tax relief; relies on relaying information on positive attributes</li> </ul>	<ul style="list-style-type: none"> <li>Can be “zero sum” when viewed regionally or nationally</li> <li>May not address the needs of existing businesses</li> </ul>
<ul style="list-style-type: none"> <li>Intra-regional coordination</li> </ul>	<ul style="list-style-type: none"> <li>Varies</li> </ul>	<ul style="list-style-type: none"> <li>Decreases wasteful competition</li> <li>Focuses on cross boundary benefits</li> </ul>	<ul style="list-style-type: none"> <li>Requires coordination among multiple groups</li> </ul>

SOURCE: ECONorthwest

**PART FIVE: VISIONING ECONOMIC DEVELOPMENT**

A visioning process yields the statement of what the local government hopes to become. Technical analyses components including setting a context for the vision process by putting some realistic boundaries for the vision statement; and determining which actions will most effectively move a jurisdiction toward its vision help create the economic development strategy.

**EXAMPLE OF TRANSLATING VISIONS TO ACTIONS**

<b>VISION</b>	<b>Increase the well-being of county residents</b>
<b>GOALS</b>	<b>Economic Prosperity, Opportunity, and Security</b> <b>Family, Stability, and Personal Capabilities</b> <b>Environmental Quality and Quality of Life</b>
<b>OBJECTIVES (some examples)</b>	<b>Increase the Supply of Industrial Land</b> <b>Encourage Child-Care Facilities</b> <b>Increase Open Space</b> <b>Provide Job Training</b> <b>Increase the Quality and Efficiency of Services</b>
<b>ACTIONS</b>	<b>Acquire and prepare industrial parcels</b> <b>County/Biz Task Force for Child Care</b> <b>Bond for Open Space Acquisition</b> <b>New Programs at local colleges</b> <b>Lobby for Light Rail</b>

*SOURCE:* ECONorthwest, Clackamas County Economic Development Strategy

**PART NINE: *ECONOMIC DEVELOPMENT INDICATORS (Three of Three)***

The strength of a community indicators measuring system lies in the involvement of citizens. The process of designing an indicators project can be invaluable to a community. By participating in the development of a project, residents can contribute to finding solutions to common problems. Brining residents together to envision their community's future establish specific goals, and select indicators for gauging progress can foster residents' sense of belonging to their community and encourage stronger interest in outcomes.

**EXAMPLE OF CITIES 21 INDICATORS FOR CITIZEN PARTICIPATION**

