



**BRAZOS VALLEY
ECONOMIC DEVELOPMENT
CORPORATION**

**Presentation to the
Milam County
Economic Development
Summit**

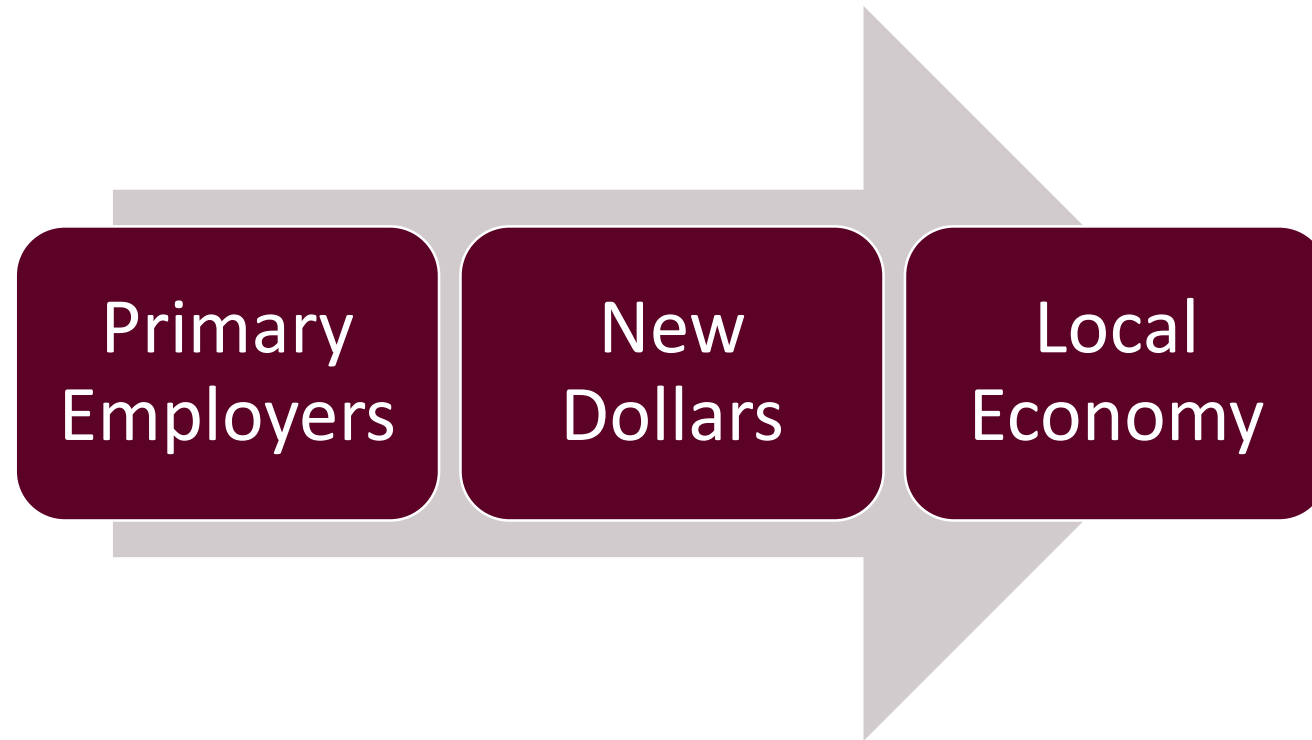
August 13, 2019

So what is economic
development?



Economic Development Defined

Economic development is the creation of new industry and primary jobs through community and business development



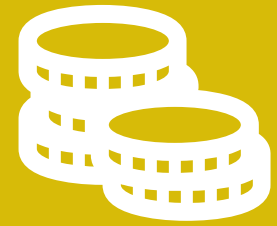
Economic Development Goals



**JOB
CREATION**



**PRIVATE
INVESTMENT**



**TAX BASE
EXPANSION**



**WEALTH
CREATION**



**HIGHER QUALITY OF
LIFE**

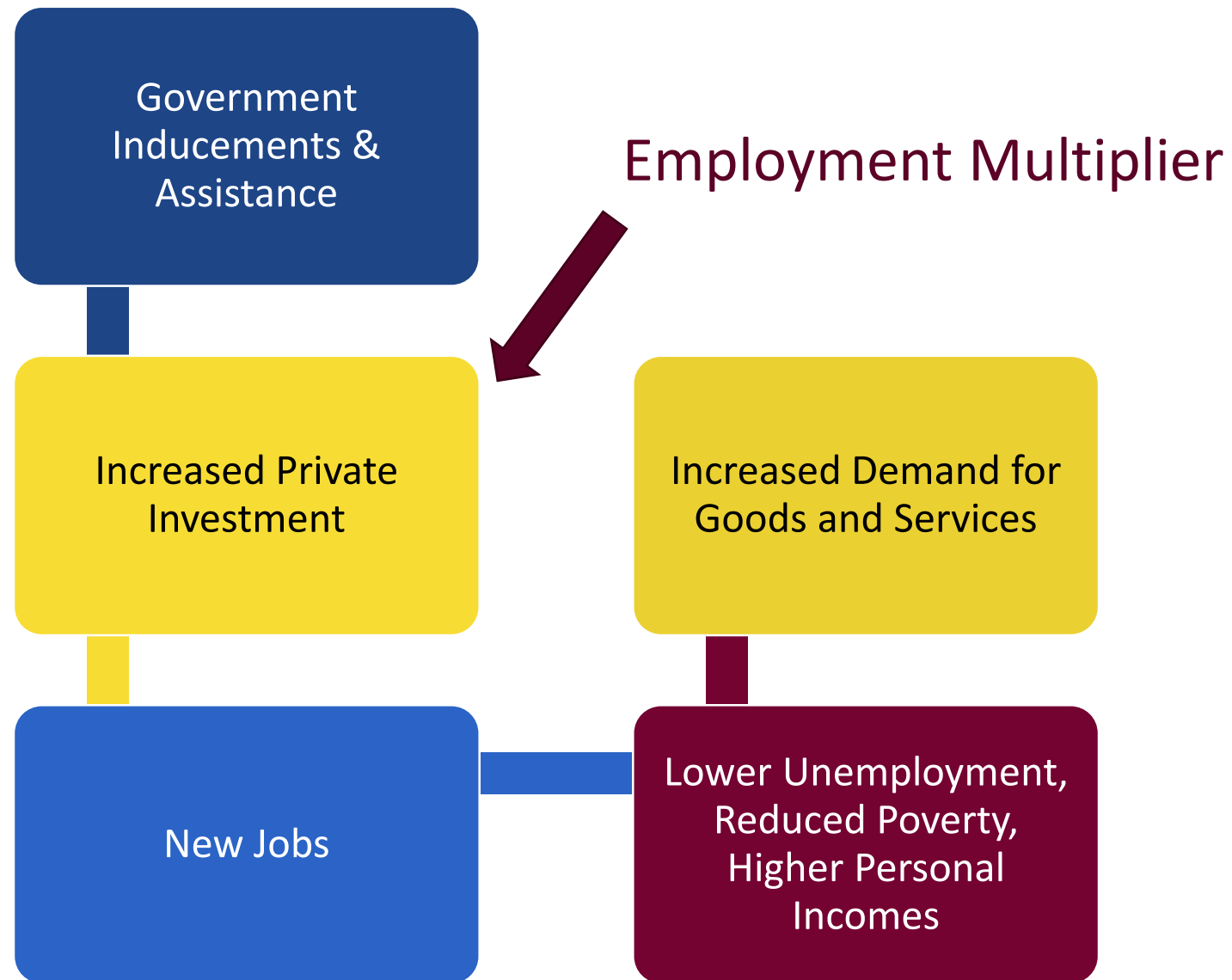


**HIGHER STANDARD OF
LIVING**

The Process of Economic Development



Economic Development Process



Evolution of Economic Development

• **Traditional Approach**

- Industrial Recruitment
- Cheap labor
- Incentives
- Individual firms and sectors
- Large branch plants

• **New Approach**

- Existing industry
- Talent and creativity
- Targeted incentives
- Industry clusters
- Smaller plants
- Entrepreneurship
- Regional collaboration
- Quality of place
- “Green” development



Growth vs. Development

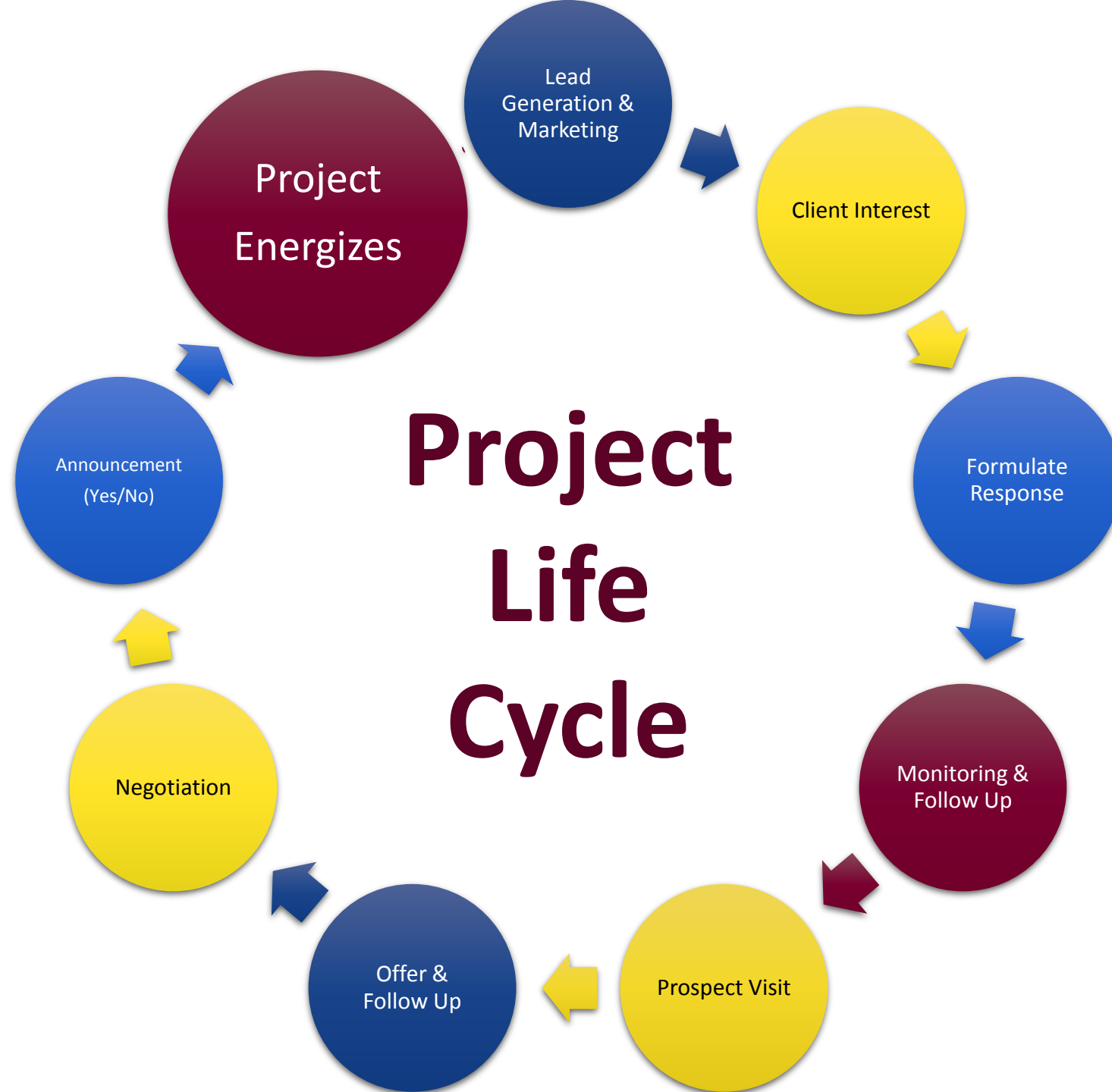
- **Quantitative**

- More jobs
- More businesses
- More people

- **Qualitative**

- Better high-wage jobs
- Better quality of life
- Better diversification
- Better sustainability





How Do You Find Project Leads?

- Responding to prospect inquiries
- Responding to leads from Governor's Office of Economic Development and Tourism (EDT)
- Regional partnerships
- Chamber of Commerce partnerships
- Displaying websites and community profiles
- Displaying building and sites inventory
- Providing high quality of life
- Direct outreach to site selectors, developers, investors, etc.



Role of Government in Economic Development



State Economic Development Role

- Favorable tax structure
- Grant program
- Infrastructure assistance
- Industrial training
- Marketing, Lead Generation



The Most Important Roles of Local Government

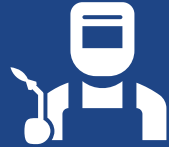
- Provide quality services and amenities
- Provide strategic leadership/facilitation
- Create a positive business climate
- Offer incentives to companies



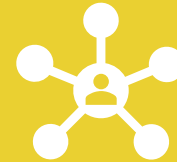
What Matters to Businesses?



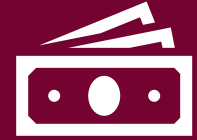
**SITES AND
BUILDINGS**



**WORKFORCE &
TALENT**



**ACCESS TO
SUPPLIERS AND
MARKETS**



**FINANCIAL
CAPITAL**



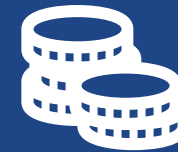
**REGULATORY
ENVIRONMENT**



**TRANSPORTATION &
UTILITIES**



INCENTIVES



TAXES



**QUALITY
OF LIFE**

“Product” Development



INFRASTRUCTURE



LAND AND SITES



**BUSINESS/INDUSTRIAL
PARKS**



SPECULATIVE BUILDINGS



PROPERTY REHABILITATION & REUSE

What Matters Most: Quality of Life Factors



SAFETY
(low crime rate &
security)



**HEALTHCARE
FACILITIES**



HOUSING COSTS



**HOUSING
AVAILABILITY**



**PUBLIC SCHOOL
RATINGS**



CLIMATE



**COLLEGES &
UNIVERSITIES**



**CULTURAL
OPPORTUNITIES**



**RECREATIONAL
OPPORTUNITIES**

Economic Development Strategies



Economic Development Strategies

- Business retention/expansion
- Business recruitment/attraction
- Business creation
- Creativity and talent cultivation
- Place-making



BRE = Business Retention + Expansion

- Keeping jobs and investment is important
- But so is helping existing firms grow and expand in order to create more jobs and investment



Why is Business Retention Important?

- Most significant source of new jobs and investment
- Existing companies contribute to the tax base and employ residents
- Builds the local economy from within



Business Retention

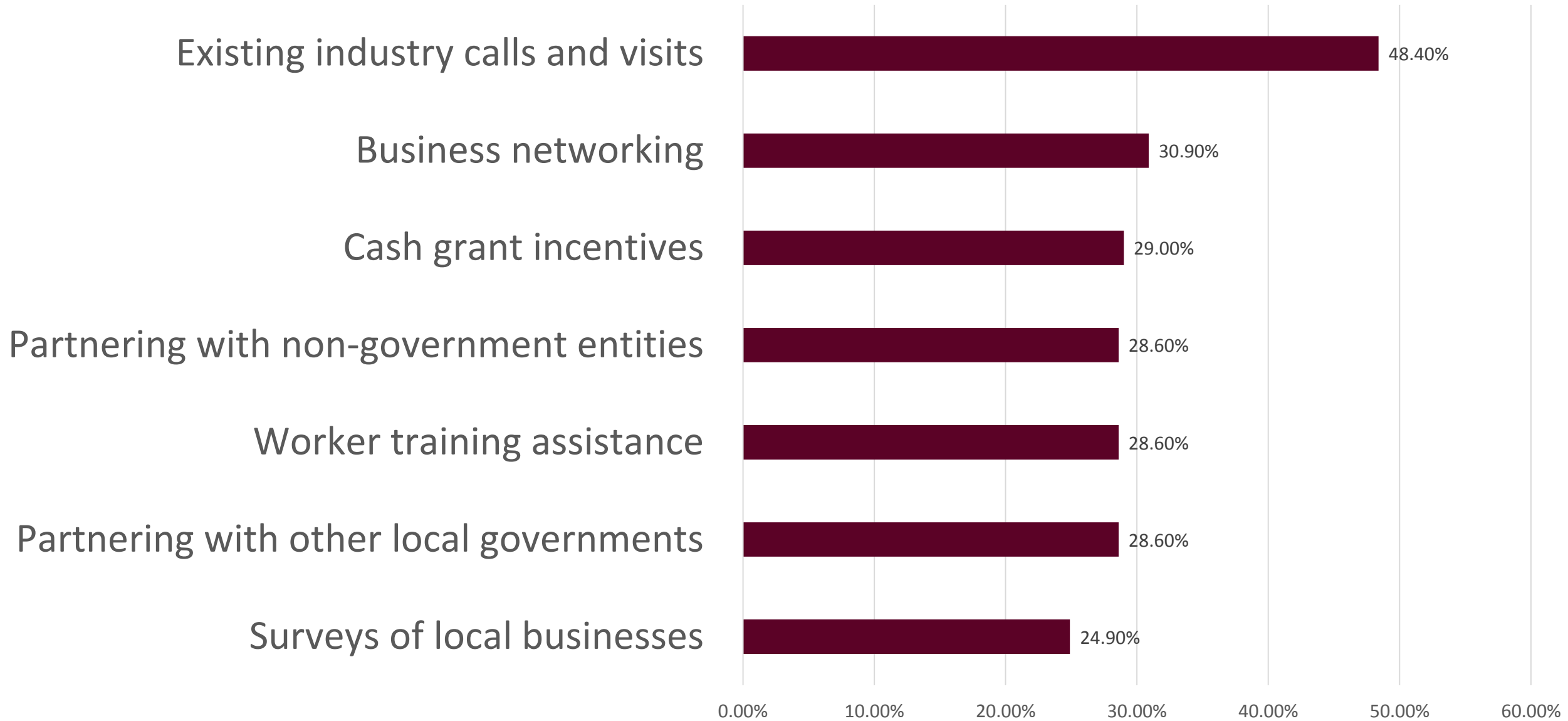
- Formal process for addressing business needs and concerns
- Get businesses involved in the community
- Facilitate collaboration and joint ventures among firms (clusters)
- Recognize and celebrate existing firms



Top Retention Tools



Top Retention Tools



Business Recruitment Basics

- Clearly defined point of contact in the community
- Up-to-date information on the community and its assets
- A “modern” web site
- A targeted marketing strategy
- Connections with regional and state efforts



Creativity and Talent Cultivation

- Workforce development
- Community amenities
- Arts and culture
- Leadership development
- Youth involvement



Workforce Development

- Improving PK-12 public education
- Meeting skill needs of target industries
- Industry specific training for displaced workers
- Advanced skills for incumbent workers
- Support services like child care, transportation and career advice



Place-making

- Quality of life amenities
- Downtown development
- Historic preservation
- Arts and culture
- Tourism development
- Resident and retiree attraction



Incentives



Purpose Incentives

- Not typically the most important factor in location decisions
- Can tip the scale in some cases
- Do not compensate for major shortcomings in a location
- Tend to benefit prosperous communities



Top Local Incentives

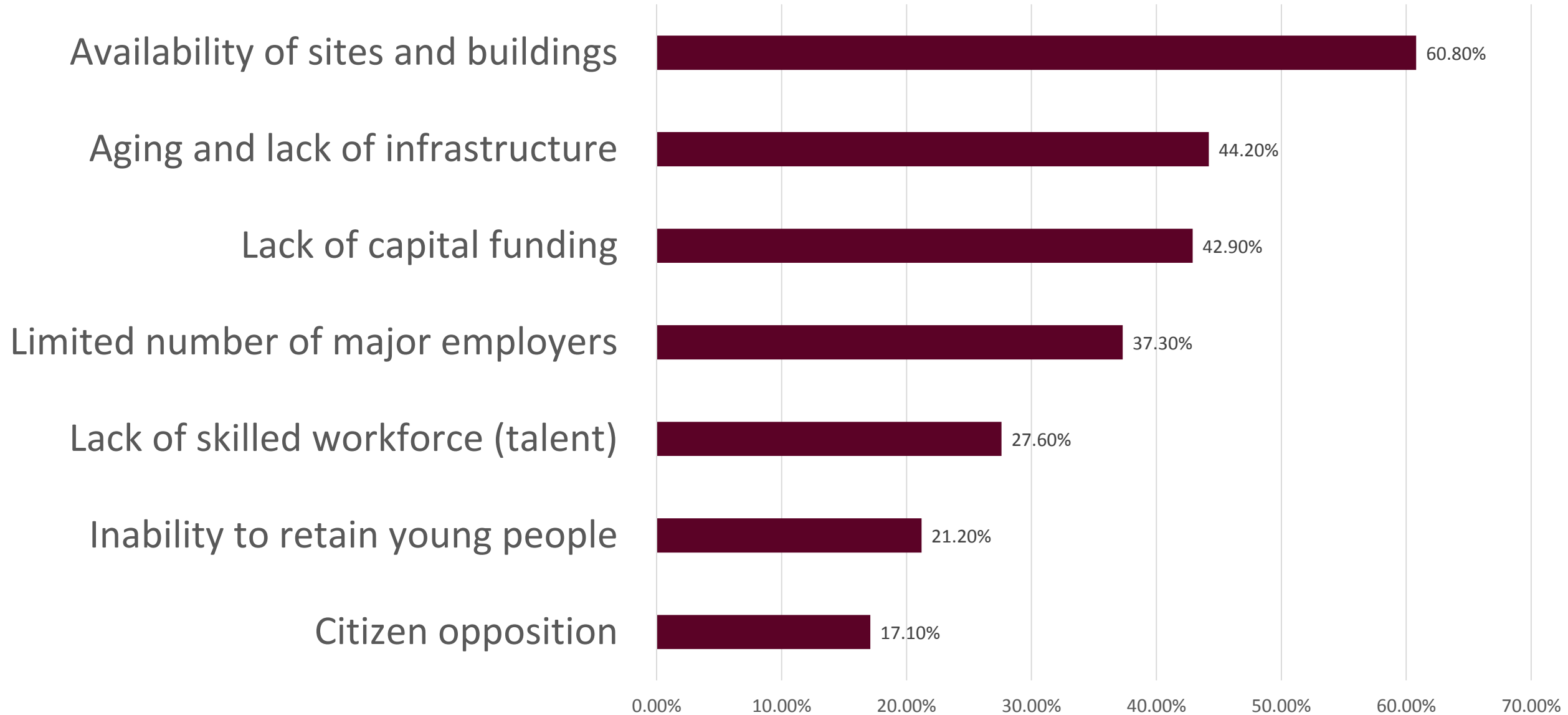
- Zoning and permit assistance – One-Stop Shop
- Infrastructure improvements
- Cash grant incentives
- Development Zoning – Protect the Development
- Land or building acquisition
- Site preparation
- Subsidized land or buildings



Small Town Hurdles



Top Barriers for Small Towns



Challenges for Small Towns

- “Old economy” vs. “new economy”
- Growth vs. “development”
- Residential vs. industrial/commercial development
- Commercial property conversion and reuse
- Use incentives wisely
- Measuring performance and impacts
- Knowing when to collaborate and when to compete



Overcoming Challenges

- Strategic focus, targeting and evaluation of efforts
- Shift from sole emphasis on industrial recruitment
- Alternative ED approaches
- Know your niches
- Build on local strengths
- Grown your own
- Develop people and place
- Look within for economic opportunities



Q&A





BRAZOS VALLEY
ECONOMIC DEVELOPMENT
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Thank You!

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