

## Economic Development 1999

The *Economic Development* surveys were mailed in fall 1999 and spring 2000 to the Chief Administrative Officers in municipalities with populations 10,000 and over and to the Chief Administrative Officers of counties with populations 50,000 and over with the council-administrator or council-elected executive form of government. Of the 2,882 municipalities and 426 counties that received surveys, 912 responded (31.6%) and 130 responded (30.5%) respectively. Of the 3,308 municipalities and counties that received surveys, 1,042 responded (31.5%).

For more information on the ICMA's *Economic Development* survey, please contact [Survey Research](#).



[Click here to buy the complete dataset from bookstore.icma.org.](http://bookstore.icma.org)

Following is the survey text with the aggregate results shown next to each answer. Each answer represents the percentage reporting for that question, except where noted.

### GENERAL INFORMATION

In the next five years do you expect a: (% reporting)

- 93.6** population increase  
**6.4** population decrease

What percent of those working in your jurisdiction live there? **49.8**

Which of the following best describes your local government's primary economic base (1) during the *last* five years and (2) which do you think it will be over the *next* five years?

	Last five years % reporting	Next five years % reporting
a. Agricultural (farming and supporting industries)	5.7	3.8
b. Manufacturing	20.6	19.7
c. Retail/service	25.1	26.7
d. Institutional (military, government, nonprofit, etc.)	9.9	7.4
e. Residential community (commuters)	19.5	16.2
f. Tourism/hospitality	5.6	5.4
g. Warehousing/distribution	4.9	4.5
h. Technology/telecommunications	4.5	11.5
i. Other	4.3	4.8

What percent of your land area is zoned for: (% reporting)

Commercial/industrial/manufacturing use **24.9** Residential use **62.0** Open space **16.1**

Which of the following describes the condition of your local government's economic base (1) during the *last* five years and (2) which do you think it will be over the *next* five years?

	Last five years % reporting	Next five years % reporting
a. Rapid expansion (more than 25%)	12.8	10.3
b. Moderate growth (10-25%)	37.6	46.4
c. Slow growth (less than 10%)	32.8	35.7
d. Economic base is stable - no real growth or decline	11.5	7.1
e. Slow decline (less than 10%)	4.6	0.7
f. Moderate decline (10-25%)	0.6	0.2

g. Rapid decline (more than 25%)	<b>0.0</b>	<b>0.2</b>
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Does your local government have a written economic development plan? (% reporting) **54.3** Yes **45.7** No

How many of your professional staff spend at least 70% of their time on economic development activities? **2.2 (Average)**

Which of the following participate in developing your local government's economic development strategies? (% reporting)

<b>92.6</b> City	<b>40.8</b> Public/private partnership
<b>48.3</b> County	<b>22.1</b> Private economic development foundation
<b>76.5</b> Chamber of Commerce	<b>28.8</b> Utility
<b>54.9</b> Private business	<b>30.3</b> State government
<b>49.9</b> Citizen advisory board/commission	<b>8.3</b> Federal government
<b>15.0</b> Ad hoc citizen group	<b>10.7</b> Other

How much did your local government *budget* for economic development activities for FY 1999? \$ **719,698 (Average)**

Do you think your economic development budget over the next five years will (% reporting)

<b>Significantly decrease</b>	<b>2</b>	<b>Remain the same</b>	<b>4</b>	<b>Significantly increase</b>
<b>1.2</b>	<b>3.3</b>	<b>45.4</b>	<b>42.1</b>	<b>8.0</b>

Please identify your competition in attracting investment in your jurisdiction. (% reporting)

<b>79.2</b> Nearby local governments	<b>46.5</b> Other states
<b>66.9</b> Other local governments within the state	<b>12.4</b> Foreign countries
<b>44.7</b> Local governments in surrounding states	<b>2.6</b> Other

How has NAFTA affected your local government over the past five years? (% reporting)

<b>12.6</b> Job loss	<b>8.6</b> Job creation
<b>2.6</b> Revenues from U.S. exports have decreased	<b>7.2</b> Revenues from U.S. exports have increased
<b>0.3</b> Illegal immigration has decreased	<b>4.2</b> Other
<b>73.2</b> No effect	

Do private companies contribute funds to your local government's marketing efforts? (% reporting)

**24.1** No **75.9** Yes If yes, how much do you expect to collect for FY 1999? \$ **136,496 (Average)**

Please indicate which of the following sources of government revenue are used to fund your economic development programs. (% reporting)

<b>88.8</b> Local revenues/general fund	<b>12.1</b> Revenue bonds
<b>29.7</b> Federal grants-in-aid	<b>34.7</b> Tax increment financing districts
<b>36.0</b> State grants-in-aid	<b>12.3</b> Special assessment districts
<b>11.6</b> General obligation bonds	<b>14.3</b> Other

Which of the following technology applications has your local government implemented *as part of its economic development efforts*? (% reporting)

<b>7.4</b> Kiosks with touch-screen computers
<b>44.6</b> Videos
<b>5.8</b> Hand-held computer terminals used in the permit and inspection process
<b>74.9</b> On-line computer services (access to government services and information through computer and modem)
<b>28.5</b> Interactive faxing (faxing permits, forms, and applications for a fee)
<b>5.1</b> Smart buildings (e.g., equipped with technologies that turn lights on and off, that read security cards, etc.)
<b>1.7</b> Intelligent vehicle highway systems (e.g., electronic toll collectors)
<b>42.1</b> Fiber optic networking/cable
<b>6.3</b> Other

Does your local government consider its telecommunications infrastructure to be an economic development tool or asset? (% reporting)  
**74.8** Yes      **25.2** No

What percentage of your staff's time is devoted to the following activities? (% reporting)  
 Retention **26.0**    Attraction **26.3**    Development **33.4**

Which of the following sectors are the focus of your economic development efforts? (% reporting)

<b>9.9</b> Agricultural (farming and supporting industries)	<b>41.7</b> Tourism/hospitality
<b>69.7</b> Manufacturing	<b>38.3</b> Warehousing/distribution
<b>67.7</b> Retail/service	<b>52.5</b> Technology/telecommunications
<b>9.7</b> Institutional (military, government, nonprofit, etc.)	<b>7.8</b> Other
<b>19.2</b> Residential community (commuters)	

Which of the following barriers to economic development has your local government encountered? (% reporting)

<b>31.5</b> Citizen opposition	<b>5.2</b> Declining market due to loss of population
<b>56.8</b> Availability of land	<b>27.0</b> Traffic congestion
<b>41.1</b> Cost of land	<b>38.5</b> Lack of capital/funding
<b>46.6</b> Lack of skilled labor	<b>12.4</b> Lack of political support
<b>27.2</b> Limited number of major employers	<b>19.5</b> Other

Does your local government support any of the following programs to promote economic development and if "yes," how does the local government provide the program?

Program	Local government supports program?		How does the local government provide for these programs?			
	Yes %	No %	Non-profit %	For-profit %	Government agency %	Public private partnership %
a. Economic development zones/tax incentives	<b>66.3</b>	<b>33.7</b>	<b>9.1</b>	<b>4.0</b>	<b>83.7</b>	<b>21.8</b>
b. Community development corporation	<b>52.7</b>	<b>47.3</b>	<b>51.8</b>	<b>5.2</b>	<b>29.5</b>	<b>36.8</b>
c. Community development loan fund	<b>54.9</b>	<b>45.1</b>	<b>26.7</b>	<b>6.4</b>	<b>66.4</b>	<b>23.3</b>
d. Microenterprise program	<b>26.6</b>	<b>73.4</b>	<b>52.5</b>	<b>4.9</b>	<b>35.2</b>	<b>32.1</b>
e. Welfare-to-Work	<b>48.7</b>	<b>51.3</b>	<b>27.9</b>	<b>3.6</b>	<b>73.0</b>	<b>29.4</b>
f. Job training	<b>63.2</b>	<b>36.8</b>	<b>31.1</b>	<b>4.9</b>	<b>67.1</b>	<b>33.5</b>
g. Other	<b>40.5</b>	<b>59.5</b>	<b>20.0</b>	<b>2.2</b>	<b>66.7</b>	<b>40.0</b>

**BUSINESS RETENTION**

Does your local government have a written business retention plan? (% reporting)    **26.3** Yes      **73.7** No

Please indicate which of the following business retention activities your local government conducts. (% reporting)

- 74.0** Local government representative calls on local company
- 22.2** Local government representative calls on national company headquarters
- 59.6** Surveys of local business
- 41.1** Business roundtable
- 35.8** Revolving loan fund program
- 22.0** Ombudsman program
- 24.0** Achievement awards
- 31.8** Local business publicity program
- 2.7** Replacing imports with locally supplied goods
- 11.2** Export development assistance
- 77.7** Partnering with other non-governmental organizations (e.g., chamber of commerce, private firms)
- 41.9** Partnering with other local governments
- 6.9** Other

**BUSINESS ATTRACTION**

Does your local government have a written business attraction plan? (% reporting) **32.0** Yes **68.0** No

Which of the following methods does your local government use to attract business? (% reporting)

<b>54.1</b> Community resource databases	<b>29.5</b> Hosts special events
<b>81.6</b> Promotional material	<b>12.4</b> Ambassador program
<b>43.8</b> Media advertising	<b>13.5</b> Trade missions abroad
<b>40.1</b> Direct mail	<b>42.5</b> Regional approaches (pooling resources)
<b>49.8</b> Participation in trade shows	<b>70.3</b> Website
<b>61.3</b> Attendance at conferences	<b>6.5</b> Other
<b>52.0</b> Local government representative calls on prospective companies	

In your local government's business attraction program, what has been the emphasis on attracting non-manufacturing commercial businesses? (% reporting)

<b>Very high</b>	<b>2</b>	<b>Moderate</b>	<b>4</b>	<b>Very low</b>
<b>15.0</b>	<b>21.5</b>	<b>37.7</b>	<b>15.9</b>	<b>10.0</b>

Does your jurisdiction have special technology zones that are designed to encourage technology-related industries and businesses to move to your jurisdiction? (% reporting) **88.9** No **11.1** Yes

If "yes," please indicate the incentives used in the technology zones to encourage technology-related industry and business. (% reporting)

<b>24.0</b> Reduction in permit fees	<b>46.0</b> Flexibility in special zoning	<b>11.0</b> Reduction in gross receipts tax
<b>11.0</b> Reduction in user fees	<b>10.0</b> Ordinance exemptions	<b>54.0</b> Other

Please indicate (1) which of the following provides most of your current business prospects and (2) which you would like to attract in the future. (% reporting)

	<b>Current</b>	<b>Future</b>
Agricultural (farming and supporting industries)	<b>1.6</b>	<b>5.7</b>
Manufacturing	<b>20.7</b>	<b>48.7</b>
Retail/service	<b>24.1</b>	<b>50.7</b>
Institutional (military, government, nonprofit, etc.)	<b>0.9</b>	<b>7.2</b>
Residential community (commuters)	<b>4.0</b>	<b>12.6</b>
Tourism/hospitality	<b>15.2</b>	<b>27.4</b>
Warehousing/distribution	<b>14.8</b>	<b>20.6</b>
Technology/telecommunications	<b>20.7</b>	<b>53.1</b>
Other	<b>3.9</b>	<b>6.3</b>

**SMALL BUSINESS DEVELOPMENT**

Does your local government have a written small business development plan? (% reporting) **16.9** Yes **83.1** No

Which of the following does your local government offer for small business development? (% reporting)

<b>58.7</b> Revolving loan fund	<b>24.6</b> Business incubator
<b>48.5</b> Small business development center	<b>9.0</b> Vendor/supplier matching
<b>13.6</b> Executive on loan/mentor	<b>32.0</b> Matching improvement grants (physical upgrades to business properties)
<b>17.4</b> Management training	<b>16.2</b> Other
<b>28.6</b> Marketing assistance	

**BUSINESS INCENTIVES**

Does your local government offer business incentives? (% reporting) **68.4** Yes **31.6** No

Do you require a performance agreement as a condition for providing business incentives? (% reporting)

<b>59.4</b> Always	<b>30.0</b> Sometimes	<b>10.7</b> Never
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Do you perform a cost/benefit analysis prior to offering business incentives? (% reporting) **77.1** Yes **22.9** No

Do you have formal written criteria used to determine eligibility for business incentives? (% reporting) **65.1** Yes **34.9** No

Please indicate any change in the dollar value of the average business incentive package over the last five years? (% reporting)

<b>Much larger</b>	<b>2</b>	<b>About the same</b>	<b>4</b>	<b>Much less</b>
<b>7.7</b>	<b>19.1</b>	<b>62.7</b>	<b>8.3</b>	<b>2.2</b>

Please indicate which of the following incentives your local government offers. (% reporting)

<b>53.5</b> Tax abatements	<b>18.8</b> Utility rate reduction
<b>24.5</b> Tax credits	<b>71.8</b> Zoning/permit assistance
<b>27.2</b> Locally designated enterprise zones	<b>23.1</b> Regulatory flexibility
<b>26.9</b> Federal/state designated enterprise zones	<b>17.7</b> Relocation assistance
<b>49.6</b> Tax increment financing	<b>39.8</b> Low-cost loans
<b>45.3</b> Grants	<b>39.1</b> One-stop permit issuance
<b>74.1</b> Infrastructure improvements	<b>18.3</b> Special assessment districts
<b>38.8</b> Free land or land write downs	<b>10.6</b> Subsidized buildings
<b>15.7</b> Employee screening	<b>9.6</b> Other
<b>36.0</b> Training support	

Please indicate how your local government measures the effectiveness of business incentives. (% reporting)

<b>81.3</b> Amount of jobs created by the new business	<b>19.7</b> Company revenue/sales
<b>43.2</b> Amount of money invested in construction materials and labor	<b>37.1</b> Cost/benefit analysis
<b>25.9</b> New dollars invested in land	<b>16.1</b> Other
<b>48.8</b> Number of new businesses relocating or expanding in jurisdiction	

## LOCAL GOVERNMENT PROFILE

Does your local government use performance measures to assess the effectiveness of its economic development efforts? (% reporting)

**29.2** No

**70.8** Yes

If "yes," which of the following performance measures are used (% reporting)

<b>33.7</b> Input measures (e.g., number of staff hours expended by program)
<b>60.0</b> Output measures (e.g., number of organizations that receive assistance by program)
<b>47.0</b> Efficiency measures (e.g., program expenditures per estimated tax dollars generated)
<b>23.5</b> Other

Does your jurisdiction have a local sales tax? (% reporting)

**47.7** No

**52.2** Yes

A. If "yes," what is the rate? **3.1** (Average)

How many schools are in your jurisdiction (both public/private)?

	Average Number of schools	Please indicate if you expect an increase or decrease in the number of schools over the next five (5) years.	
		<b>Increase</b>	<b>Decrease</b>
K-12	<b>20</b>	<b>92.5</b>	<b>7.5</b>
Junior college (2-year)	<b>1</b>	<b>96.7</b>	<b>3.3</b>
Vocational/technical	<b>2</b>	<b>96.2</b>	<b>3.8</b>
University/college	<b>1</b>	<b>97.0</b>	<b>3.0</b>

What is the median cost of a single-family dwelling in your jurisdiction? (Average of the median) **\$140,706**

What is the median rental cost of two-bedroom apartment in your jurisdiction? (Average of the median) **\$656**

Which of the following are in your jurisdiction? (% reporting)

<b>79.4</b>	Railroad	<b>11.1</b>	Port	<b>21.8</b>	Major waterway
<b>48.7</b>	Airport	<b>76.2</b>	Truck route	<b>87.6</b>	Major highway

How many hotel/motel rooms does your jurisdiction have? **2,019** (Average)

How important is tourism in comparison with other industries?

<b>Very important</b>	<b>2</b>	<b>About the same</b>	<b>4</b>	<b>Not important</b>
<b>18.3</b>	<b>20.6</b>	<b>23.0</b>	<b>22.2</b>	<b>15.9</b>

Approximately what percent of your local government's annual revenue is from tourism? ( Average) **5.9%**

What is per capita property tax revenue? (Average) **\$1,446**

What percent of the residents in your jurisdiction are retirees? (Average) **16.7%**

What is the unemployment rate in your jurisdiction? (Average) **4.3%**