



Economic Development 2014 Survey Results

SURVEY METHODOLOGY

The survey was mailed in June 2014 to 5,237 city-type and county governments. A follow-up survey was sent to those who had not responded to the first mailing. An online survey was available as well, with the URL included on the paper survey. The response rate was 23% with 1,201 local governments responding. HR&A Advisors, an industry-leading real estate, economic development, and public policy consulting firm, helped fund the survey.

GENERAL

Which of the following statements best describes who has responsibility for economic development in your local government? (*Check only one.*) (N=1,175)

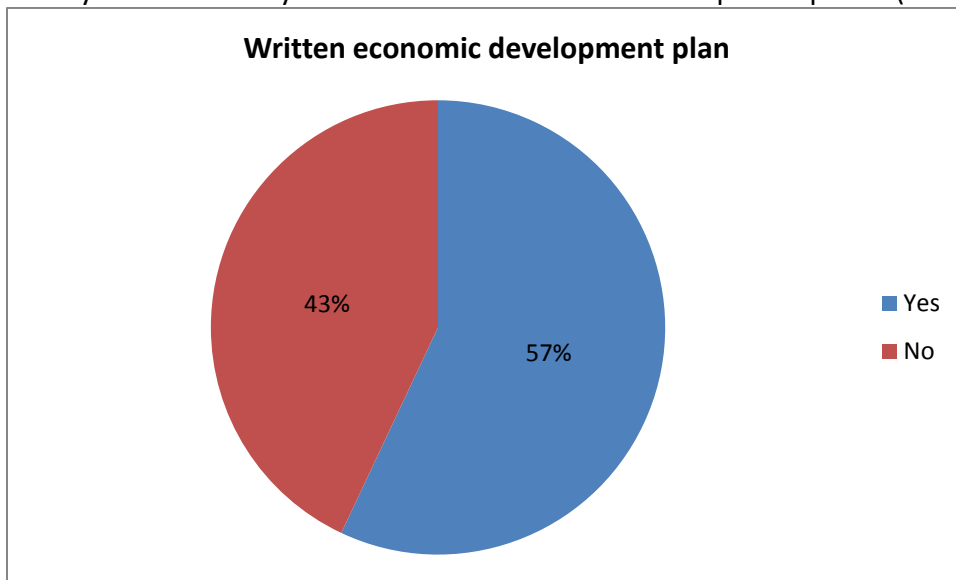
	Number	Percent
1. The local government has <i>primary</i> responsibility for economic development.	785	67%
2. A nonprofit development corporation has <i>primary</i> responsibility for economic development.	232	20%
3. Other	158	13%

Which of the following participate in developing your local government's economic development strategies?
 (Check all applicable.) (N=1,195)

	Number	Percent		Number	Percent
a. City	1,027	86%	i. Public/private partnership	388	33%
b. County	652	55%	j. Private business/industry	381	32%
c. State government	439	37%	k. Private/community economic dev. foundation	114	10%
d. Federal government	75	6%	l. Utility	246	21%
e. Chamber of Commerce	682	57%	m. College/university	297	25%
f. Economic dev. corporation	482	40%	n. Citizen advisory board/commission	311	26%
g. Regional organizations	457	38%	o. Ad hoc citizen group	92	8%
h. Planning consortia	91	8%	p. Non-profit organizations serving the poor	60	5%

ECONOMIC DEVELOPMENT PLANNING

Does your community have a written economic development plan? (N=1,027)



Indicate which of the following are economic development goals in your community. Indicate the success level in reaching each. If it's a **new priority** and too early to tell, just check the last box on the right.

Goal	Priority goal?		Success at reaching goal*				
	Yes (No. reporting)	No (No. reporting)	Number reporting	Very successful	Somewhat successful	Not at all successful	New priority- too early to tell
a. Jobs	1,056	81	1,075	20%	62%	8%	10%
b. Tax base	1,078	60	1,097	23%	60%	8%	9%
c. Quality of life	1,002	99	1,035	35%	52%	4%	9%
d. Environmental Sustainability	536	483	690	16%	57%	9%	20%
e. Social Equity	314	669	508	6%	53%	19%	23%

* Note: Some local governments reported success even though it was not a priority goal.

Please indicate the extent to which the considerations below motivated economic development priorities of your local government.

	No. reporting	No motivation	Minimal motivation	Moderate motivation	Significant motivation
a. Change in local economy	1,167	5%	14%	37%	45%
b. Increased competition	1,148	11%	29%	37%	23%
c. Change in economic development leadership	1,145	28%	27%	25%	21%
d. Change in political leadership	1,143	25%	31%	28%	17%
e. Past activities not successful	1,139	26%	34%	28%	13%
f. Past activities successful/time for new initiatives	1,131	21%	29%	38%	13%
g. Heard about new development tools	1,129	31%	38%	26%	6%
h. Growth in aging population	1,134	34%	37%	23%	6%
i. Income inequality	1,129	39%	36%	19%	7%
j. Concern about environmental sustainability	1,139	30%	37%	26%	7%

BARRIERS TO ECONOMIC DEVELOPMENT

Please indicate if your local government faces the following barriers to economic development and their importance. (Check all applicable.)

	None	Low	Medium	High		None	Low	Medium	High
a. Lack of land available (n=1,166)	17%	27%	28%	28%	l. Distance from major markets (n=1,134)	28%	43%	21%	7%
b. Cost of land (n=1,153)	8%	34%	34%	24%	m. Lengthy permit process (n=1,141)	28%	51%	17%	5%
c. Lack of buildings (due to space/costs) (n=1,142)	8%	26%	38%	28%	n. Environmental regulations (n=1,129)	13%	48%	28%	10%
d. Inadequate infrastructure (e.g., no fiber optic cable, water, wastewater) (n=1,154)	24%	39%	23%	14%	o. Poor quality of life (inadequate education, recreation, and arts/cultural) (n=1,131)	41%	41%	14%	4%
e. Lack of skilled labor (n=1,160)	15%	38%	33%	14%	p. Lack of political support (n=1,128)	36%	45%	15%	3%
f. High cost of labor (n=1,147)	18%	57%	21%	4%	q. Citizen opposition (n=1,134)	25%	51%	19%	5%
g. Lack of affordable, quality child care (n=1,138)	30%	54%	14%	2%	r. High cost of housing (n=1,126)	23%	46%	22%	9%
h. Limited number of major employers (n=1,155)	13%	32%	32%	24%	s. Declining market due to population loss (n=1,120)	49%	33%	12%	6%
i. Lack of capital/funding (n=1,156)	8%	26%	40%	26%	t. Traffic congestion (n=1,127)	33%	44%	17%	6%
j. Taxes (n=1,153)	12%	52%	26%	10%	u. Income Inequality (n=1,122)	36%	47%	13%	4%
k. Poor public transit (n=1,154)	23%	44%	24%	9%					

ECONOMIC DEVELOPMENT ACTIVITIES

Please indicate your level of use of these economic development tools.

	Not at all	Low	Medium	High
Small business				
a. Revolving loan fund (n=1,174)	50%	24%	18%	8%
b. Small business development center (n=1,176)	34%	26%	28%	11%
c. Microenterprise program (n=1,160)	64%	21%	11%	4%
d. Matching improvement grants (physical upgrades to business properties) (n=1,169)	39%	24%	25%	12%
e. Vendor/supplier matching (n=1,162)	62%	27%	10%	2%
f. Marketing assistance (n=1,174)	32%	36%	28%	4%
g. Management training (n=1,169)	45%	33%	19%	3%
h. Executive on loan/mentor (n=1,160)	69%	23%	8%	1%
Business retention and expansion				
i. Surveys of local business (n=1,173)	16%	34%	36%	15%
j. Ombudsman program (n=1,167)	49%	24%	16%	11%
k. Local business publicity program (community-wide) (n=1,165)	26%	35%	31%	8%
l. Replacing imports with locally supplied goods (n=1,164)	57%	31%	10%	2%
m. Export development assistance (n=1,159)	57%	28%	13%	2%
n. Business clusters/industrial districts (n=1,162)	30%	28%	30%	12%
o. Technology Zones (n=1,165)	52%	28%	15%	5%
p. Energy Efficiency Programs (n=1,164)	39%	34%	22%	6%
q. Business improvement districts (n=1,166)	41%	24%	24%	11%
r. Main Street Program (n=1,168)	40%	21%	21%	18%
Business Attraction				
s. Local government representative calls on prospective companies (n=1,175)	15%	26%	33%	26%
t. Promotional and advertising activities (e.g., media, direct mail, website) (n=1,176)	14%	33%	33%	20%
Community development				
u. Community development corporation (n=1,164)	52%	20%	17%	10%
v. Community development loan fund (n=1,165)	61%	21%	13%	5%
w. Environmental sustainability- energy audits/green building incentives (n=1,166)	48%	30%	17%	5%
x. Transit to promote commuting (n=1,165)	44%	31%	19%	7%
y. High quality physical infrastructure (n=1,166)	14%	24%	38%	24%
z. Job training for low skilled workers (n=1,162)	29%	31%	29%	11%
aa. Business assistance, loans and grants to support child care (n=1,160)	71%	22%	5%	2%

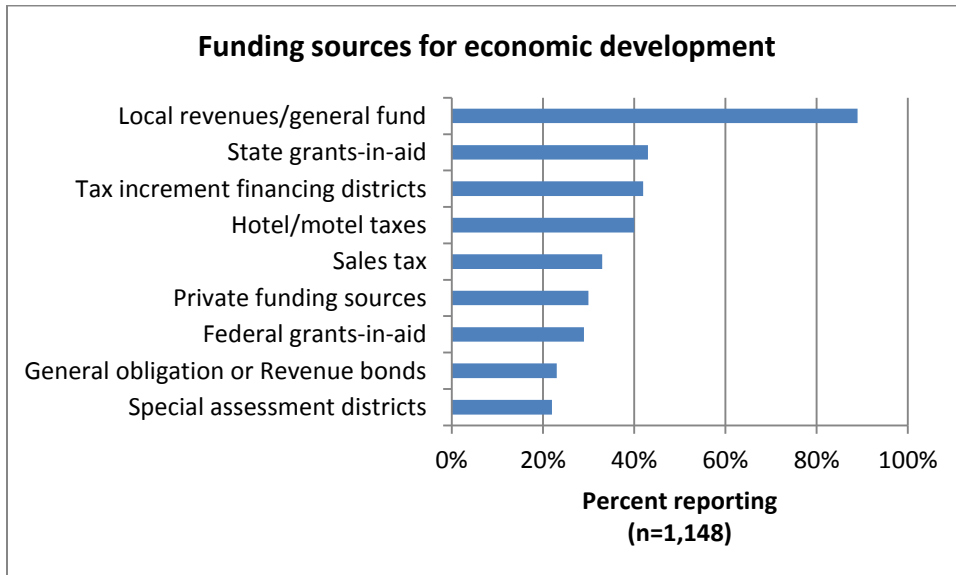
	Not at all	Low	Medium	High
bb. Affordable workforce housing (n=1,159)	32%	36%	25%	7%
cc. Investments in high quality of life (good education, recreation, and arts/culture) (n=1,158)	9%	19%	38%	35%
dd. Tourism promotion (n=1,166)	17%	23%	31%	29%
ee. Public/private partnerships (n=1,165)	13%	26%	36%	25%
ff. Programs to promote age-friendly businesses for seniors (n=1,158)	50%	36%	11%	3%

How strong is the competition/cooperation for economic development and tax base among local governments in your region? (n=1,174)

1. Competition is strong	2. Competition is weak	3. Cooperation is strong	4. Cooperation is weak
59%	19%	52%	23%

FUNDING ECONOMIC DEVELOPMENT

Please indicate which of the following sources of revenue are used to fund your economic development programs. (Check all applicable.)

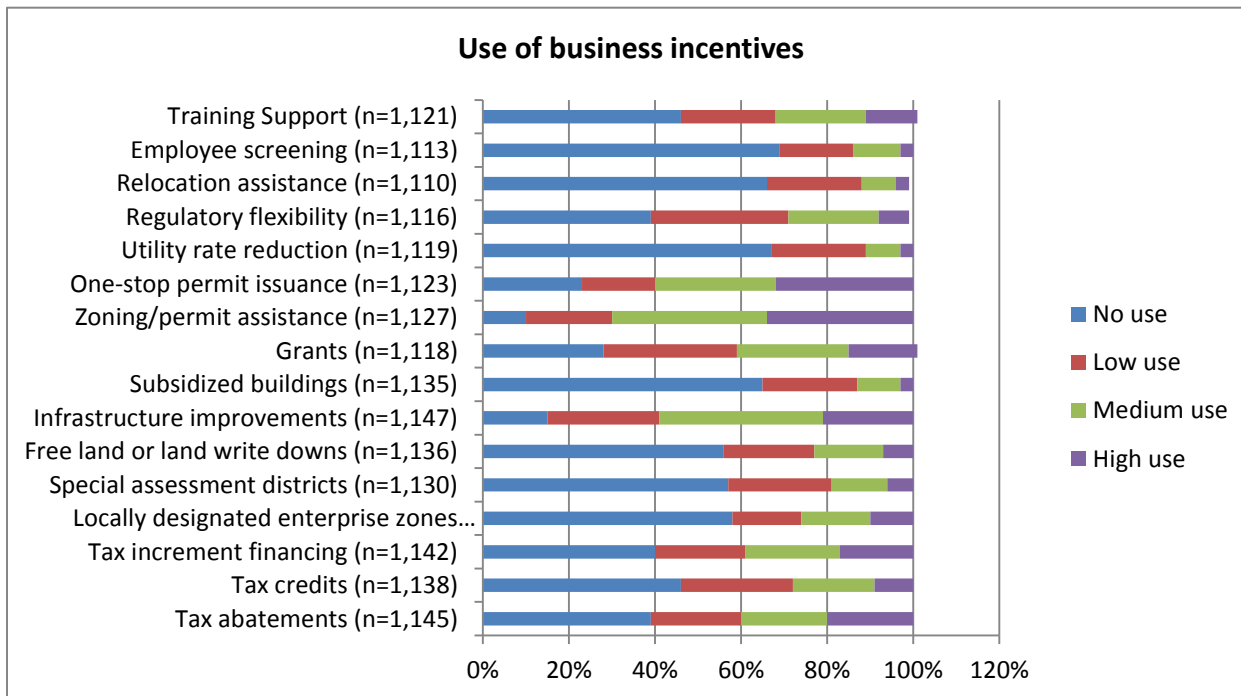


BUSINESS INCENTIVES

Please indicate any change in the dollar value of the average business incentive package over the last five years?
(Circle one number.) (n=1,034)

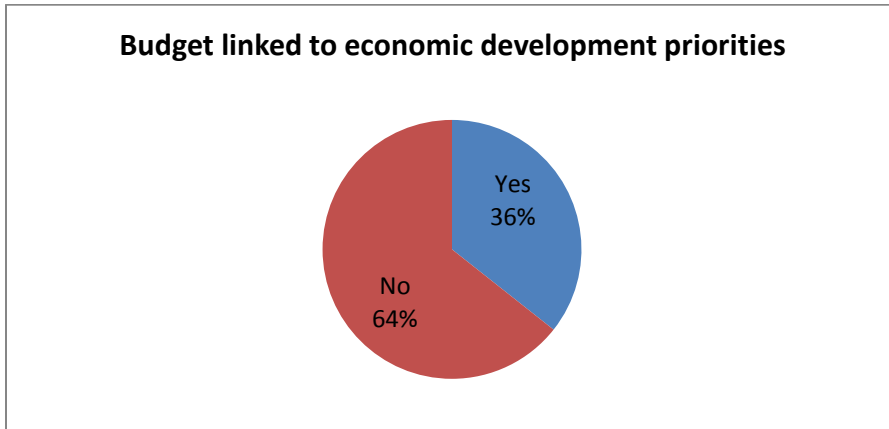
Much larger		About the same		Much smaller
7%	16%	61%	7%	8%

Please indicate the level of use of these business incentives.

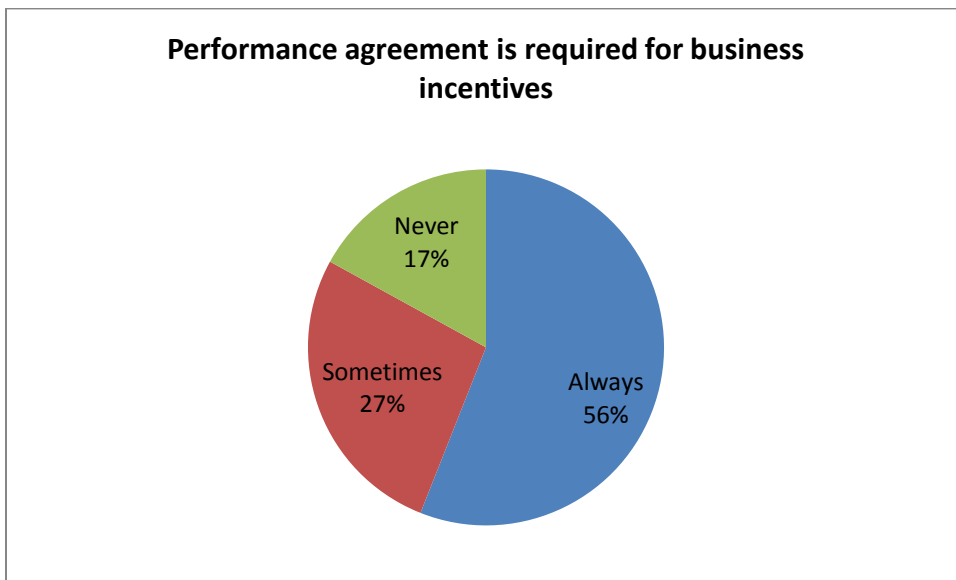


ACCOUNTABILITY

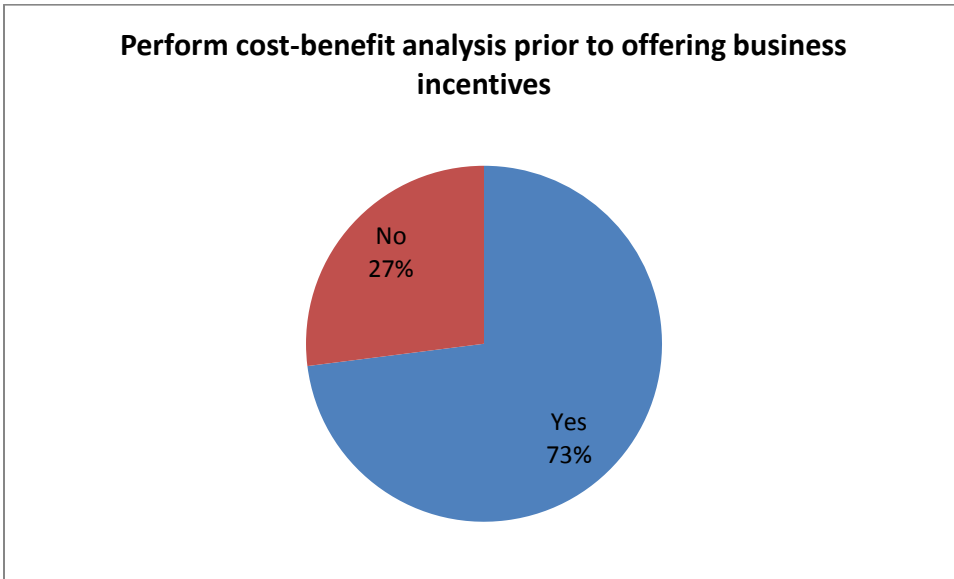
Is the overall budget allocation process linked to economic development priorities specified in the plan?



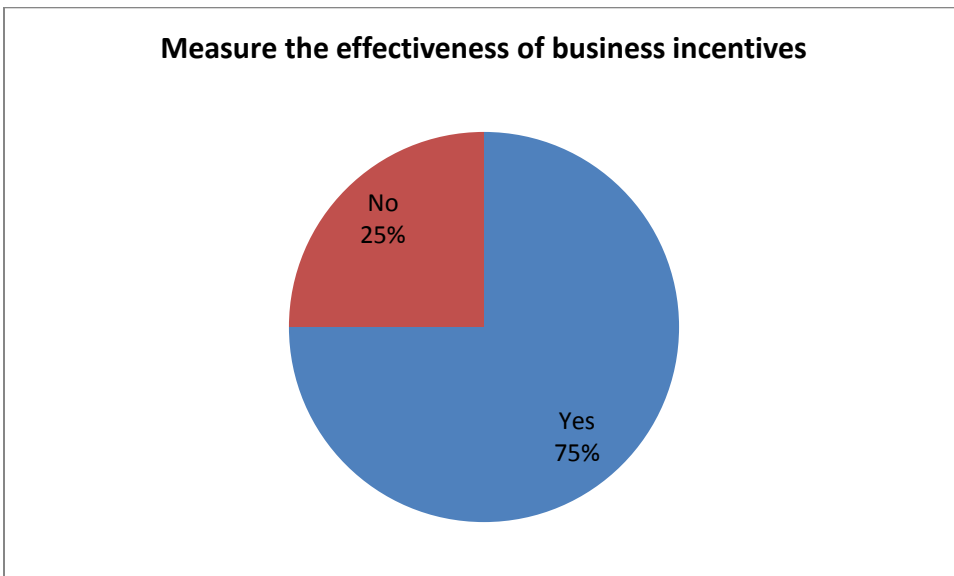
Do you require a performance agreement as a condition for providing business incentives?



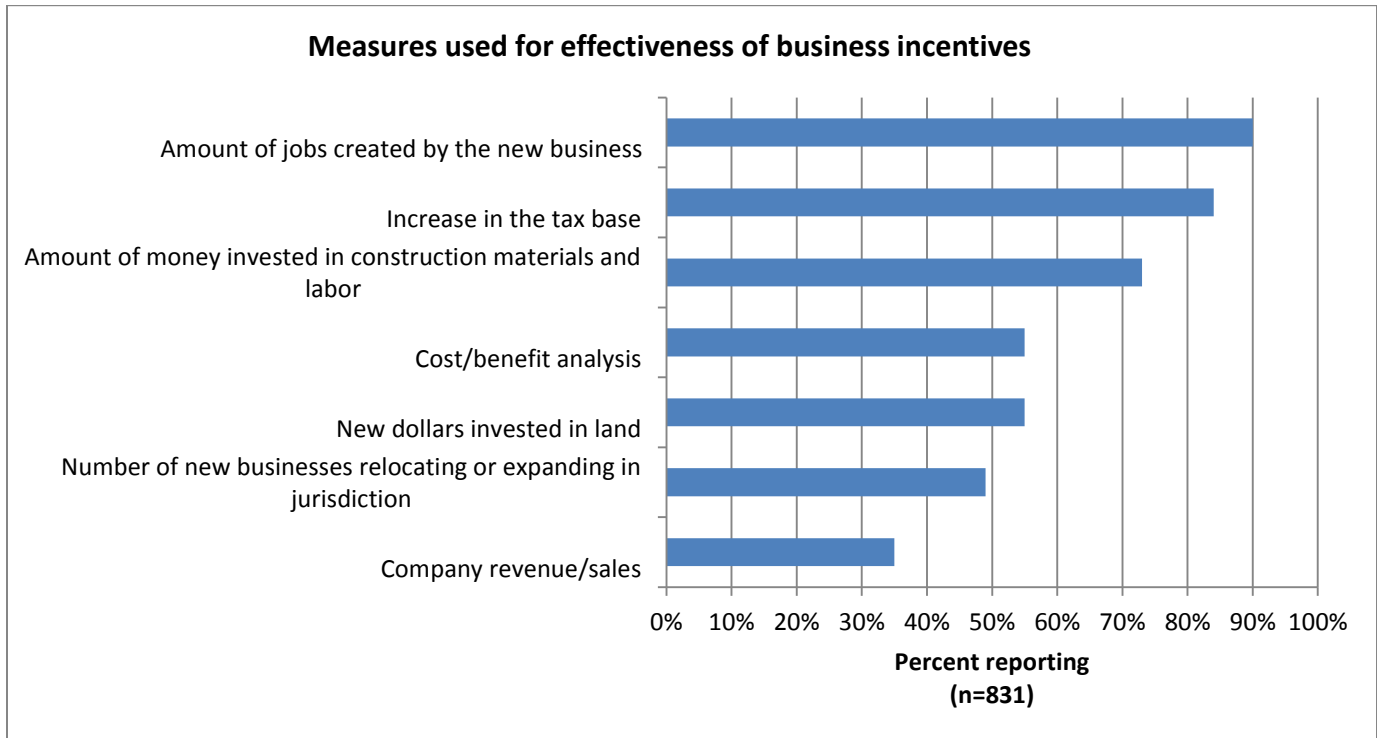
Do you perform a cost/benefit analysis prior to offering business incentives?



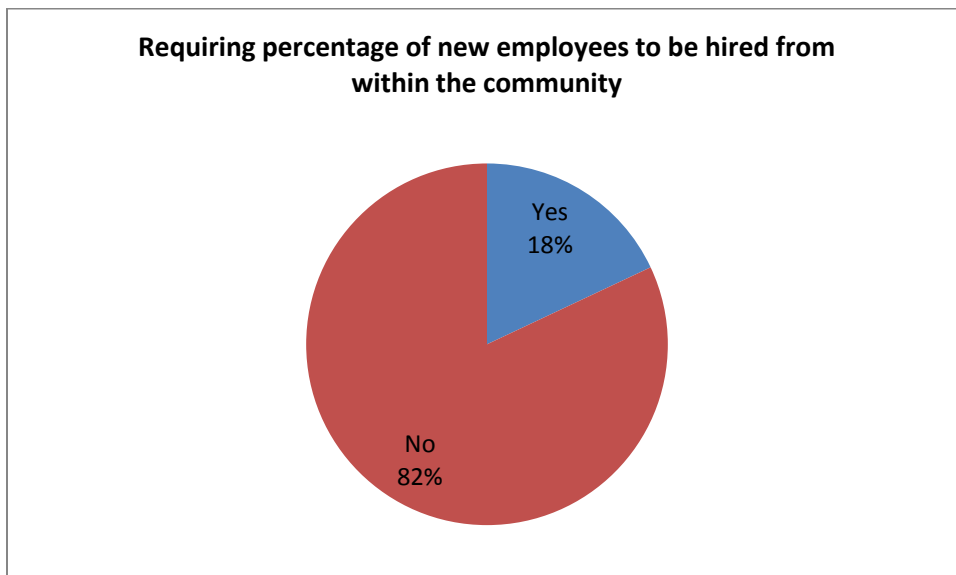
Do you measure the effectiveness of business incentives?



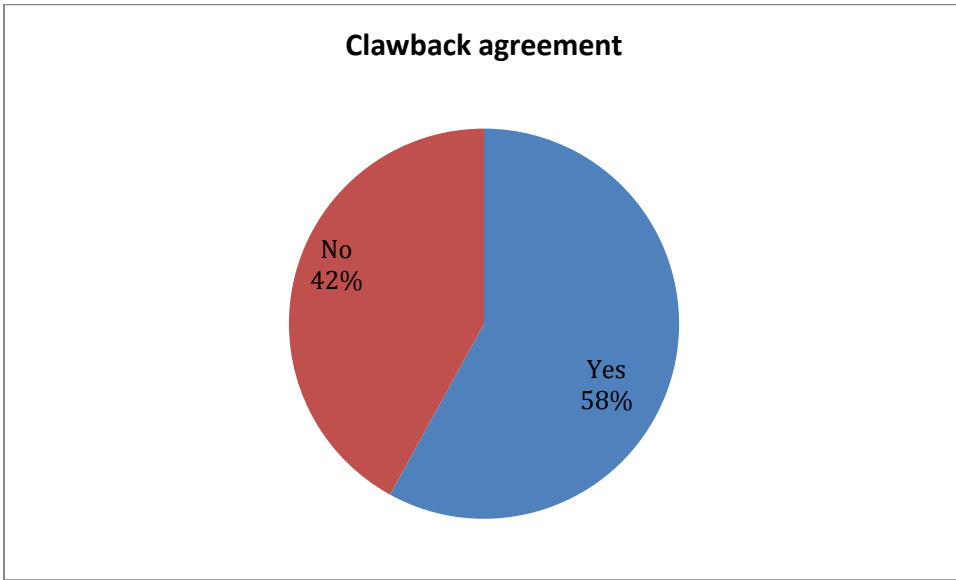
If “yes,” please identify which of the following measures are used. (Check all applicable.)



Does your local government ever require a percentage of new employees to be hired from within the community as a condition for providing business incentives?



Does your local government have an agreement in which companies are liable for paying back the value of incentives should they relocate or shut down during the course of the agreement (known as a clawback agreement)?



Do you have a college or junior college in your jurisdiction?

