



The California Association for Economic Development

# CALED

## Economic Development Leadership Since 1980

*The California Association for Local Economic Development*



### **Yolo County Small Business Resource Summit 2013**

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- ✓ What is Economic Development
  - Connection to Small Business
- ✓ Economic Development Partners & Activities
- ✓ Resources for Small Businesses & How You Connect

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## California Association for Local Economic Development

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- ✓ Founded in 1980
- ✓ 750 Members
- ✓ Dedicated to Economic Development – helping businesses thrive and create vibrant economies
- ✓ Non profit, working with public-sector, to help private-sector

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## CALED Members

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- ✓ Cities and Counties (75%)
- ✓ Nonprofit E.D. Organizations
- ✓ Chambers of Commerce
- ✓ Education and Training Agencies
- ✓ Private Sector
- ✓ State and Federal Agencies
- ✓ Other

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## What is Economic Development?

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

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## Distinctions

- COMMUNITY DEVELOPMENT is a capacity building process for making a community a better place to live and work.
- ECONOMIC DEVELOPMENT is purely and simply the creation of wealth in which community benefits are created.

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## MOTIVES

BOTH Business & Government play a role in economic development and BOTH have Profit as a Motive.



## Business Role

- ✓ Mobilize
  - Human,
  - Financial,
  - Physical, and
  - Natural Resources
- ✓ To Create Marketable Goods and Services





## Public Sector Role

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To Influence  
Business Investment and Location  
Decisions with:

- Taxes
- Spending
- Investment
- Regulations
- Incentives
- Marketing
- Quality Service
- Adding Value to Community Assets

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## Public Profit Motive

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- Maintain, increase & diversify tax base
- **Increase revenues faster than cost of municipal services increase**
- Economic vitality for commercial and industrial areas
- Maximize property through highest & best use
- Create and retain jobs, increase per capita income

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## Why?

- ✓ Rising Costs for Municipal Services
  - ✓ A \$300,000 house provides \$420 in property taxes to the city
  - Population Growth
  - Rising Employee Costs
    - Salaries and Benefits
    - Health Care
    - Insurance
    - Workers compensation
  - Rising Expectations for Municipal Services
    - Quality of Life Issues
    - Public Safety
- ✓ Negative Impact of State Budget Actions

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### ✓ Increased Revenue Base

Additional revenue to support, maintain, and improve local services such as roads, parks, libraries, and emergency medical services.

### ✓ Job Development

To provide better wages, benefits, and opportunities for advancement.

### ✓ Business Retention

Businesses that feel appreciated by community, and in turn feel as if they are contributing to the economy, will stay in town.

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- ✓ **Economic Diversification**

Helps expand the economy and reduces a community's vulnerability to a single business sector.

- ✓ **Self-sufficiency**

Public services would be less dependent on intergovernmental transfers that change with each election.

- ✓ **Productive Use of Property**

Property used for its "highest and best use" maximizes the productivity of that property.

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- ✓ **Quality of Life**

More local tax dollars and jobs raise the economic tide for the community, which generally increases the overall standard of living of the residents.

\*80:20 rule

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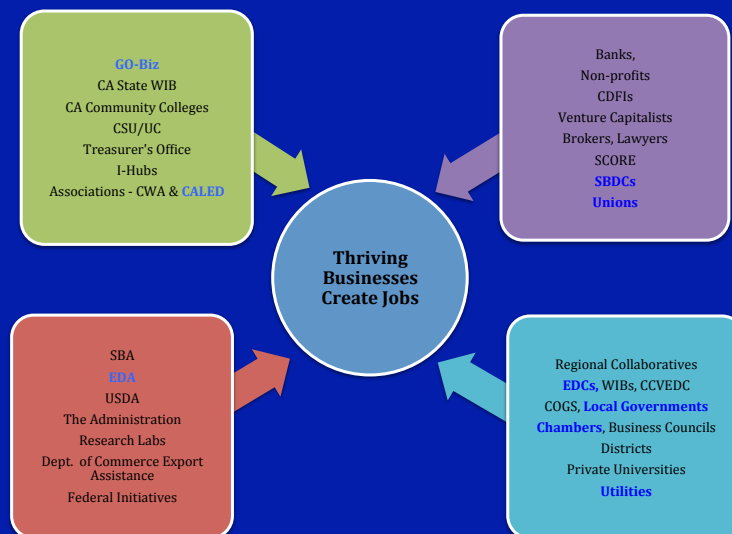
### 3 Forms of Economic Development

1. Retain & Expand Existing Business
2. Create Business
3. Attract New Business

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#### Economic Development Partners



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## Program Examples

- ✓ Economic Gardening or Incubation
- ✓ Network Existing Business
- ✓ Business Visitation
- ✓ Revolving Loan
- ✓ Government Purchasing
- ✓ One-stop Permitting
- ✓ Market Local Business Environment
- ✓ Trade Show Participation

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## Program Examples

- ✓ Business Assistance
  
- ✓ Yolo & Solano County have a  
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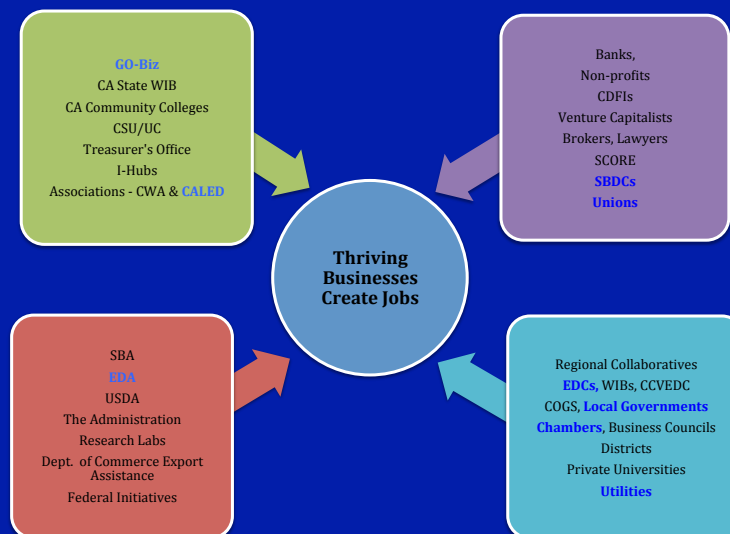
## Project Examples

- ✓ Revitalizing the downtown – BIDs
- ✓ Providing infrastructure to a new area
- ✓ Working with private partners to complete commercial or residential projects
- ✓ Developing a buildings, retail, etc.

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## Economic Development Partners



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## Access to Capital

- ✓ Certified SBA Lenders
- ✓ Comm. Dev. Financial Institutions
- ✓ Non-Bank Lenders (RLFs)
- ✓ CA Treasurer's Office/CA I-Bank
- ✓ Federal Partners: USDA & EDA
- ✓ CalFOR – Access to Capital Guidebook

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## Smallbusinesscalifornia.org Electeds Should Focus on:

### 5. Reducing State Taxes

- Have an economic development plan that addresses revenue generation without raising taxes.
- Governor's Office of Business & Economic Development. GO-Biz – create a State Economic Development Strategy:  
[business.ca.gov](http://business.ca.gov)

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\*19 Yolo County Businesses out of 1300+ responses





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**Electeds Should Focus on:**

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4. Quality of Public Education

- Skilled/trained workforce
- Workforce Investment Boards, One-Stop Centers, Community Colleges Workforce and Economic Development, CSUs, UCs, SBDCs

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**Electeds Should Focus on:**

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3. Affordable Healthcare

- Smallbusinesscalifornia.org
- Coveredacom.com

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2. Reducing Regulation of Small Business

- Governor's Office of Business & Economic Development: [business.ca.gov](http://business.ca.gov)
- CAL Gold: [calgold.ca.gov](http://calgold.ca.gov)
- Permit Streamlining

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**Electeds Should Focus on:**

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1. The Economy

- Improving business climate
- Invest in economic development so businesses can thrive and create jobs
- Elected Officials at all levels

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## Measuring Success

- ✓ Monitor the metrics of your economic development programs – tracking your investment
- ✓ Economic development is an investment in your community. It's more than a "Jobs Program".

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## SMART

**A simple device to remember the characteristics of an effective performance measure**

- Specific:** performance measures need to be as specific as possible
- Measurable:** a performance measurement is only useful if you can actually measure it
- Achievable:** do not set goals that are impossible to achieve
- Relevant:** performance measurements need to be relevant to the organization's mission and the program's strategic objectives
- Time-based:** make sure that performance measures are achieved within a specific period

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## Getting Connected

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- ✓ Visit the booths
- ✓ Talk to your cities and counties
- ✓ Visit CALED.org
- ✓ Ask an elected official

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